

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  CUSTOMER SERVICE RULES REVISIONS; EXECUTIVE ORDERS 8 AND 9 [199 IAC 6, 19.4, 20.4, AND 21.4]	DOCKET NO. RMU-03-3
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**ORDER ADOPTING AMENDMENTS**

(Issued November 18, 2003)

Pursuant to Iowa Code §§ 476.1, 476.1A, 476.1B, 476.2, 476.3, 476.20, and 17A.4, the Utilities Board (Board) is adopting the amendments attached hereto and incorporated herein by reference. The amendments are to the Board's customer service rules in 199 IAC 6, 19.4(476), and 20.4(476). This proceeding has been identified as Docket No. RMU-03-3.

On March 13, 2003, the Board published a "Notice of Intended Action" in the Iowa Administrative Bulletin containing the proposed amendments, see IAB Vol. XXV, No. 20 (4/2/30) pp. 1324-34, ARC 2378B. The proposed amendments to Chapter 6 and rules 19.4 and 20.4 were based upon a review required by Executive Orders Number 8 and 9. The Board also proposed amendments based upon its own continuing review of its customer service rules.

Comments on the proposed amendments were filed by Iowa Legal Aid (Legal Aid), Aquila, Inc., d/b/a Aquila Networks (Aquila), MidAmerican Energy Company (MidAmerican), the Iowa Association of Electric Cooperatives (IAEC),

Interstate Power and Light Company (IPL), and the Consumer Advocate Division of the Department of Justice (Consumer Advocate). An oral presentation to receive additional comments on the proposed amendments was held on May 28, 2003. Oral comments were made by MidAmerican, IPL, Consumer Advocate, and Legal Aid.

Based upon a review of the comments, the Board has made certain revisions to the proposed amendments. The comments and the Board's analysis are set out below. Minor revisions and grammatical corrections are not addressed.

Further, the proposed amendments to subrules 6.2(2), 6.3(3), 6.5(2), 19.4(11), and 19.4(16) and paragraph 19.14(19)"a" did not result in any public comment. Those amendments will be adopted without further discussion.

**1. The Board proposed to amend subrule 6.2(1) as follows:**

**6.2(1)** Information to be filed: Any person may, by ~~mailing~~ filing a ~~written~~-complaint ~~letter~~, request the board to determine whether the utility's charges, practices, facilities or service ~~are~~ is in compliance with applicable statutes and rules established by the board, or by the utility in its tariff, and lawfully issued board orders. The written complaint must be filed with the board. If there is any question about the authenticity of a fax or electronic mail complaint, the complainant may be required to file a verification of the written complaint. The board may initiate a complaint on its own motion. The complaint ~~letter must be signed and dated by the complainant or by the complainant's representative and addressed to Iowa Utilities Board, 350 Maple Street, Des Moines, Iowa 50319.~~ The letter should include:

a. to e. No change.

The Board finds that certain revisions need to be made to the proposed amendments to clarify the language. One purpose of the amendments is to indicate that complaints that are faxed or emailed to the Board comply with the requirement that the complaint be in writing. This is not completely clear from the proposed language, so the Board will revise the adopted language to state that faxes and emails comply with the requirement for a written complaint. To address the possibility that false complaints might be filed by fax or email, the Board will retain the provision that Board staff may require written verification of the authenticity of the complaint. The Board will incorporate these changes into the adopted rule.

**2. The Board proposed to amend paragraph 19.4(1)"d" as follows:**

d. ~~Post a notice in a conspicuous place in each office of the utility where applications for service are received, informing~~ Inform the public that copies of the rate schedules and rules relating to the service of the utility, as filed with the board, are available for public inspection at the utility's offices or by mail upon request. If the utility has a Web site, the utility shall make the applicable rate schedules and rules available on the utility's Web site.

**Summary of Comments:**

Legal Aid stated that it supported the requirement that utilities make their rules and tariffs accessible by mail or on the Internet.

Aquila stated that it posts its tariffs on its Web site and that it does not oppose providing tariffs by mail, but Aquila questioned the appropriateness of providing them at certain locations. Most of Aquila's offices are for field

operations and do not have customer service personnel available to help customers with questions.

Consumer Advocate supported requiring utilities to post tariffs on Web sites, but opposed removing the requirement that utilities post a notice in each office that tariffs are available for inspection. This provides notice to customers without Internet access. At the hearing, Consumer Advocate stated that a utility office would be one where customer service representatives are located. Consumer Advocate supported posting notice to customers rather than the broader language "inform the public."

IPL agreed with Consumer Advocate that only those offices that are accessible to the public should be required to have the notice posted. IPL indicated that it did not oppose allowing a customer to ask for the entire tariff, but suggested that the utility should be authorized to direct the customer to the utility's Web site. IPL indicated that requests for its entire tariff have been rare.

IAEC commented on the proposed amendments to paragraph 20.4(1)"d" and the comments are also applicable to this paragraph. IAEC supported having the customer come to the utility office to ensure that the customer obtains the tariff pages in which the customer is interested. IAEC had concerns regarding the posting of the tariff on the utility's Web site. IAEC indicated that many of its utilities only have simple Web pages, not interactive sites where a customer could access the tariff. Thus, the requirement would mean additional expense by the utility or the shutting down of the Web site.

IAEC also questioned how its members would be required to comply with the proposed language to “inform the public” of the tariff. IAEC supported limiting the requirement to the posting of a notice to customers.

MidAmerican suggested that a request for the entire tariff, although rare, would be burdensome because of the number of pages in the tariff.

MidAmerican does have the entire tariff on its Web site but would prefer to have the opportunity to have personnel go through the tariff with the customer to determine the precise nature of the customer's request.

**Board Analysis:**

The Board finds that the proposed amendments should be revised to address some of the concerns in the comments. The Board agrees that the phrase “inform the public” is too broad and will retain the current language that requires notice to be posted at the utility’s offices. The Board also finds that notice of the availability of rate schedules and rules on the utility’s Web site should be posted at the utility’s offices. Since many utilities do not have interactive Web sites, the Board will remove the requirement that utilities post their rate schedules and rules on their Web site. The Board will also remove the reference to obtaining tariffs by mail. A customer may make this request now and the utility should have the flexibility to decide what portions of the tariff to send or how best to address the customer's questions.

The Board will incorporate these changes into the adopted rule.

**3. The Board proposed to amend subrule 19.4(10) as follows:**

**19.4(10) Payment agreements.**

a. Availability ~~customer~~ of agreement.

~~(1) When a residential customer cannot pay in full a delinquent bill for utility service and will be disconnected or has an outstanding debt to the utility for residential utility service and is not in default of a payment agreement with the utility, a utility shall offer the customer an opportunity to enter into a reasonable payment agreement to pay that bill unless the customer is in default on a payment agreement.~~

~~(2) When a disconnected or potential customer for residential service has an outstanding debt to the utility for utility service, cannot pay the debt in full, and is not in default on a payment agreement, the utility must consider a request for a payment agreement.~~

b. No change.

c. Terms of payment agreements.

~~(1) The agreement may require the customer to bring the account to a current status by paying specific amounts at scheduled times. The utility shall offer customers or disconnected customers the option of spreading payments evenly over at least 12 months by paying specific amounts at scheduled times. Payments for potential customer agreements may be spread evenly over at least 6 months.~~

~~(2) The agreement shall also include provision for payment of the current account. The agreement negotiations and periodic payment terms shall comply with tariff provisions which are consistent with these rules.~~

~~(3) When the customer makes the agreement in person, a signed copy of the agreement shall be provided to the customer, disconnected customer or potential customer.~~

~~(4) The utility may offer the customer the option of making the agreement over the telephone or through electronic transmission. When the customer makes the agreement over the telephone or through electronic transmission, the utility will render to the customer a written document reflecting the terms and conditions of~~

the agreement within three days of the date the parties entered into the oral agreement or electronic agreement. The document will be considered rendered to the customer when addressed to the customer's last known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the document shall be considered rendered to the customer when delivered to the last-known address of the person responsible for payment for the service. The document shall state that unless the customer notifies the utility within ten days from the date the document is rendered, it will be deemed that the customer accepts the terms as reflected in the written document. The document stating the terms and agreements shall include the address and a toll-free or collect telephone number where a qualified representative can be reached. By making the first payment, the customer confirms acceptance of the terms of the oral agreement or electronic agreement.

~~(5) Second agreement. If a customer has retained service from November 1 through April 1 but is in default of a payment agreement, the~~ The utility may offer the customer a second payment agreement, but is not required to do so. ~~that will divide the past due amount into equal monthly payments with the final payment due by the fifteenth day of the next October. The utility may also require the customer to enter into a level payment plan to pay the current bill.~~

~~The customer who has been in default of a payment agreement from November 1 to April 1 may be required to pay current bills based on a budget estimate of the customer's actual usage, weather-normalized, during the prior 12-month period or based on projected usage if historical use data is not available.~~

d. Refusal by utility. ~~If the utility intends to refuse a payment agreement offered by a customer, it must provide a written refusal to the customer. That refusal, with explanation, must be made within 30 days of mailing of the initial disconnection notice. A customer may protest the utility's refusal by filing a written complaint, including a copy of the utility's refusal, with the board within 10 days after receipt of the written refusal. If the utility intends to refuse a payment agreement to a disconnected or potential customer, it~~

must provide a written refusal within 10 days of the application for payment agreement. A customer may offer the utility a proposed payment agreement. If the utility refuses a payment agreement offered by a customer, it may do so orally, but the utility must render a written refusal to the customer, stating the reason for the refusal, within three days of the oral notification. The written refusal shall be considered rendered to the customer when addressed to the customer's last-known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the written refusal shall be considered rendered to the customer when handed to the customer or when delivered to the last-known address of the person responsible for the payment for the service.

A customer may ask the board for assistance in working out a reasonable payment agreement. The request for assistance must be made to the board within ten days after the rendering of the written refusal. During the review of this request, the utility shall not disconnect the service.

### **Summary of Comments:**

Legal Aid stated its support for the elimination of the distinction between "potential" and "disconnected" customers in paragraph "c" and the clearer language requiring utilities to offer a payment agreement for 12 months to all customers with an outstanding debt who are not in violation of a payment agreement.

Legal Aid stated that it did not believe that the amendments to paragraph 19.4(10)"d," relating to refusal of a payment agreement, accomplish their goal. Legal Aid supported the goal of simplifying the time in which the utility has to send the written refusal. It considered the amendments to still be ambiguous. Legal Aid recommended that a utility be required to respond to all offered agreements.



Aquila stated that it did not object to the proposed amendments to 19.4(10).

IPL suggested the following language be added to the end of paragraph 19.4(10)"c"(1).

If a customer is in default of a previous agreement, the utility may offer the customer the option of spreading payments evenly over at least 6 months by paying specific amounts at scheduled times. The utility may offer the customer a second payment agreement, but is not required to do so. The utility may require the customer to enter into a level payment plan to pay the current bill.

IPL then suggested deleting subparagraph (5). IPL stated that the suggested changes would consolidate and clarify the rules relating to first and second payment agreements. The changes would retain the six-month payment agreement for customers with outstanding balances from prior accounts to allow flexibility while placing a reasonable limit on liability.

IPL suggested that paragraph "d" should be modified to reflect that there may be a series of offers and refusals between the utility and customer and requiring written notice of each refusal would require several notifications during a short period of time. IPL recommended that 19.4(10)"d" not be amended except to remove the word "potential."

Consumer Advocate supported the removal of the references to "potential" and "disconnected" customer. Consumer Advocate stated that the intent of the amendment should be added so that future readers would understand the change.

MidAmerican stated that it is concerned with the general tenor of the proposed amendment to paragraph "c." It questioned whether the changes obscure the distinction between those who have service and those who do not. MidAmerican suggested that the word "applicant" should not be removed. MidAmerican stated that the new expanded definition of customer could confer substantive rights to service to those who have not qualified because of credit risks. MidAmerican also suggested that it is not reasonable to allow a customer to take service, not pay, then within five years choose to take service and get the same credit terms as those who tried to work out something with the utility in a more timely manner. MidAmerican stated that it has reviewed its payment agreement statistics for 2002 and it had on average, 17,446 payment agreements. Of these only 2,968 were not associated with LIHEAP.

MidAmerican stated that it is unsure what consequences the Board expects from the elimination of the distinction between a potential customer and a disconnected customer. MidAmerican suggested that the proposed amendments may require a utility to provide service to an applicant regardless of whether the customer meets reasonable credit history requirements. MidAmerican suggested that disconnection would then have no meaning, since a disconnected customer would retain the right to active service.

The proposed amendments would remove what MidAmerican sees as the current distinction between a customer with active service and a customer without active service. MidAmerican stated that credit activity costs are saved when an active customer works with the company, but there are collection costs

when a disconnected customer leaves the system owing the company for service. MidAmerican believes that any credit activity caused by a disconnected customer who later decides to return to service should be considered when establishing the length of the payment agreement.

MidAmerican suggested that the length of any second payment agreement should be left to the discretion of the utility.

MidAmerican addressed paragraph 19.4(10)"d" and recommended adding the following language:

If the customer and utility do not mutually accept payment agreement terms, upon request of the customer, the utility will provide a refusal in writing which includes the reason for the refusal. The written refusal must be rendered by the utility within three business days. The document shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the document shall be considered rendered to the customer when handed to the person, or when delivered to the last known address of the person responsible for the payment for the service.

MidAmerican suggested that the proposed amendments make the Board an advocate for the customer or utility and suggested that the amendments not be made. MidAmerican also suggested that the proposed amendment could create a substantial burden on Board resources if a significant number of customers contact the Board.

MidAmerican suggested that the customer should be required to provide the utility the same information it provides the Board when filing an informal complaint. MidAmerican suggested the following language for an amendment.

A customer may ask the board for assistance in working out a reasonable payment agreement. The request for assistance must be made to the board within ten days after the rendering of the written refusal, which request shall contain a copy of the refusal. If a customer has service at the time the board request is made, and the customer has provided the utility with the documentation the customer has provided the board, the utility shall not disconnect the service during the Board's review, provided the customer pays his current bills as they come due as well as the amount the customer has offered for a payment agreement.

At the hearing MidAmerican explained its position concerning the distinction between a customer who has been disconnected within the last 120 days and a customer who has been disconnected for more than 120 days. MidAmerican currently offers the first customer a 12-month payment agreement as a "disconnected customer" and offers only a six-month payment agreement to the second customer as a "potential customer." MidAmerican also indicated that a "disconnected customer" who moved would be treated as a "potential customer." MidAmerican would like to continue this distinction.

MidAmerican stated that it has no problem with removing the reference to second agreements as proposed. MidAmerican indicated it does offer a second agreement to a customer who defaulted on a previous agreement of less than 12 months under certain circumstances. MidAmerican stated that customers rarely make an offer of a payment agreement; it is usually the utility that makes the offer.

IPL stated that it routinely offers second agreements to LIHEAP customers to catch them up by the next October if possible. IPL indicated that it had offered third payment agreements under specific circumstances.

IPL expressed the same concern about treating the customer who has been disconnected and has not attempted to enter into a payment agreement the same as a customer who is still working with the utility to make arrangements to pay the debt. IPL writes the debt off in 90 days and then considers the customer a "potential customer," rather than a disconnected customer. IPL makes no distinction based upon the address where service is requested. IPL supported retaining the current rule to allow for flexibility.

IAEC expressed concern with treating disconnected customers the same as current customers who have received a disconnect notice. IAEC suggests that removing the distinction reduces the ability of the utility to manage the customer accounts. IAEC concurred with the distinctions made by MidAmerican and IPL. A customer with an older obligation should be treated differently than a customer who has just been disconnected.

Legal Aid stated that there may be good reason to distinguish between customers who have been disconnected and those who have only received notices. Legal Aid suggested that the perception that those who have been disconnected are intentionally not entering into payment agreements is not always correct. Legal Aid suggested that these customers usually are unable to pay anything and, therefore, are forced to do without service. This does not mean the customers are attempting to get something for nothing. Legal Aid stated that it is not in the interest of low-income customers to allow utilities to require a level payment agreement when entering into a first payment agreement.

Consumer Advocate supported a shorter period for notice of a refusal of a payment agreement by the utility. MidAmerican and IPL were concerned with being required to send a notice of a refusal of a payment agreement during negotiations.

**Board Analysis:**

The Board will not adopt the definitions and practices of IPL and MidAmerican that create distinctions between a “disconnected” and a “potential” customer. Since these terms are not defined in the rule, the utilities have used these terms to treat customers differently based upon different criteria. The Board considers payment agreements an area where there should be a reasonable degree of uniformity among the utilities. The Board accepts the position that there should be some distinction in the rule between those customers who have recently been disconnected and who attempt to retain service and those who were disconnected some time ago and, for whatever reason, did not attempt to retain service. The Board does not subscribe to the characterizations of these latter customers' motives as intentionally trying to avoid paying their bills. As pointed out by Legal Aid, there are many reasons a person must cease taking service and cannot pay a utility bill; they are not all trying to defraud the utility.

The Board finds that the proposed amendments should be revised to create a specific distinction based upon the length of time since the disconnection. The distinction supported by the utilities is based upon the date when the utility writes off the debt as uncollectible. This is a reasonable basis for

distinguishing among these customers. Accordingly, the Board will retain the requirement of a 12-month agreement for customers who have been disconnected for 120 days or less. The Board will establish a six-month requirement for those customers who have been disconnected for more than 120 days. The 120-day distinction will provide uniformity among the utilities and also recognize the appropriateness of different treatment for those who did not work with the utility to negotiate a payment agreement in a timely manner; i.e., before the debt was written off.

The Board will not adopt a criteria based upon whether the customer moves to a new location. Moving to a new location does not appear to affect when the debt is written off. The 120-day distinction should satisfy the utilities' position that the customer who does not attempt to enter into a payment agreement before the debt is written off causes additional costs and is a greater credit risk than a person who does attempt to enter into a payment agreement before the debt is written off; a relocation distinction not related to those concerns.

Since the Board proposed changes to subparagraph 19.4(10)"c"(5) that indicate the utility is not required to offer a second payment agreement and may require the customer to enter into a level payment plan in this rule making, Consumer Advocate has filed a petition for rule making in Docket No. RMU-03-12, proposing to require a utility to offer a second payment agreement. The Board finds that the amendments proposed in this rule making should not be

adopted so that it can consider the amendments to 19.4(10)"c"(5) proposed by Consumer Advocate in pending Docket No. RMU-03-12.

The decision not to make the proposed amendments to subparagraph 19.4(10)"c"(5) includes the proposed amendments allowing the utility to require a level payment plan for current service if a payment agreement is offered to the customer.

The Board finds that no substantial revision is necessary to the proposed amendments to paragraph 19.4(10)"d." The reasonable interpretation of the paragraph is that the letter stating the reason for refusal of a payment agreement should come only after negotiations have ceased and a final offer is refused. A letter is not required after every offer and counter-offer. Nonetheless, the Board will make a slight revision to clarify this interpretation.

MidAmerican's suggested language limiting when a customer may request assistance from the Board is too restrictive and would unduly interfere with a customer's ability to seek help. The proposed amendments should not generate a significant increase in complaints or in the time required for Board staff to handle complaints.

The proposed amendments with the revisions discussed above will be incorporated into the adopted rule.

**4. The Board proposed to amend subrule 19.4(15) as follows:**

**19.4(15)** Refusal or disconnection of service. A utility shall refuse service or disconnect service in accordance with tariffs that are consistent with these rules. ~~Notice of pending disconnection shall be rendered and gas service refused or disconnected as set forth in the tariff.~~



a. The utility shall give written notice of pending disconnection except as specified in paragraph 19.4(15)"b." ~~The notice of pending disconnection required by these rules shall be a written notice setting set forth the reason for the notice, and final date by which the account is to be settled or specific action taken. The notice shall be considered rendered to the customer when addressed to the customer's last known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the notice shall be considered rendered when delivered to the last-known address of the person responsible for payment for the service. The date for refusal or disconnection of service shall be not less than 12 days after the notice is rendered. The date for refusal or disconnection of service for customers on shorter billing intervals under subrule 19.3(7) shall not be less than 24 hours after the notice is posted at the service premises.~~

One written notice, including all reasons for the notice, shall be given where more than one cause exists for ~~refusal or disconnection of service. The notice shall also state the final date by which the account is to be settled or other specific action taken.~~ In determining the final date by which the account is to be settled or other specific action taken, the days of notice for the causes shall be concurrent.

~~Service may be refused or disconnected for any of the reasons listed below. Unless otherwise stated, the customer shall be provided notice of the pending disconnection and the rule violation which necessitates disconnection. Furthermore, unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is disconnected. Except as provided in paragraphs 19.4(15)"a," "b," "c," and "d," no service shall be disconnected on the day preceding or day on which the utility's local business office or local authorized agent is closed.~~

b. Service may be refused or disconnected without notice:

a. (1) Without notice in In the event of a condition determined by the utility to be hazardous.

b. ~~(2) Without notice in~~ In the event of customer use of equipment in a manner which adversely affects the utility's equipment or the utility's service to others.

c. ~~(3) Without notice in~~ In the event of tampering with the equipment furnished and owned by the utility. For the purposes of this subrule, a broken or absent meter seal alone shall not constitute tampering.

d. ~~(4) Without notice in~~ In the event of unauthorized use.

c. Service may be disconnected or refused after proper notice:

e. ~~(1) For violation of or noncompliance with the utility's rules on file with the utilities division~~ board.

f. ~~(2) For failure of the customer or prospective customer to furnish the service equipment, permits, certificates, or rights-of-way which are specified to be furnished, in the utility's rules filed with the utilities division~~ board, as conditions of obtaining service, or for the withdrawal of that same equipment, or for the termination of those same permissions or rights, or for the failure of the customer or prospective customer to fulfill the contractual obligations imposed as conditions of obtaining service by any contract filed with and subject to the regulatory authority of the ~~utilities~~ board.

g. ~~(3) For failure of the customer to permit the utility reasonable access to its~~ the utility's equipment.

h. ~~d. For~~ Service may be refused or disconnected after proper notice for nonpayment of bill or deposit, except as restricted by subrules 19.4(16) and 19.4(17), provided that the utility has complied with the following provisions when applicable:

(1) ~~Made a reasonable attempt to effect collection~~ Given the customer a reasonable opportunity to dispute the reason for the disconnection or refusal;

(2) Given the customer, and any other person or agency designated by the customer, written notice that the customer has at least 12 days in which to make

settlement of the account, ~~together with to avoid~~  
disconnection and a written summary of the rights and  
remedies available ~~to avoid disconnection~~. Customers  
billed more frequently than monthly pursuant to subrule  
19.3(7) shall be given posted written notice that they  
have 24 hours to make settlement of the account,  
~~together with to avoid disconnection and~~ a written  
summary of the rights and remedies ~~available to avoid~~  
disconnection. All written notices shall include a toll-free  
or collect telephone number where a utility  
representative qualified to provide additional information  
about the disconnection can be reached. Each utility  
representative must provide ~~their~~ the representative's  
~~name to the caller,~~ and have immediate access to  
current, detailed information concerning the customer's  
account and previous contacts with the utility.

(3) and (4) No change.

(5) ~~Given the customer a reasonable opportunity to  
dispute the reason for the disconnection and, if to the  
extent applicable, complied with each of the following:~~

Disputed bill. ~~In the event there is a~~ If the customer  
has received notice of disconnection and has a dispute  
concerning a bill for natural gas service, the utility may  
require the customer to pay a sum of money equal to the  
amount of the undisputed portion of the bill pending  
settlement and thereby avoid discontinuance of service.  
A utility shall delay disconnection for nonpayment of the  
disputed bill for up to 45 days after the rendering of the  
bill if the customer pays the undisputed amount. The 45  
days shall be extended by up to 60 days if requested of  
the utility by the board in the event the customer files a  
written complaint with the board in compliance with  
199—Chapter 6.

(6) Special circumstances. Disconnection of a  
residential customer may take place only between the  
hours of 6 a.m. and 2 p.m. on a weekday and not on  
weekends or holidays. If a disconnected customer  
makes payment or other arrangements during normal  
business hours, or by 7 p.m. for utilities permitting such  
payment or other arrangements after normal business  
hours, all reasonable efforts shall be made to reconnect  
the customer that day. If a disconnected customer

makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day.

(7) Severe cold weather. A disconnection may not take place where gas is used as the only source of space heating or to control or operate the only space heating equipment at the residence, ~~or~~ on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with subparagraph 19.4(15)"d"(4) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area where the residence is located rises to above 20 degrees Fahrenheit and is forecasted to be above 20 degrees Fahrenheit for at least 24 hours, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of ~~this rule.~~ paragraph 19.4(15)"d."

(8) Health of a resident. Disconnection of a residential customer shall be postponed if the ~~discontinuance~~ disconnection of service would present ~~an especial~~ a serious danger to the health of any permanent resident of the premises. ~~An especial~~ A serious danger to health is indicated if ~~one~~ a person appears to be seriously impaired and may, because of mental or physical problems, be unable to manage ~~their~~ the person's own resources, to carry out activities of daily living or ~~protect oneself to be protected~~ from neglect or hazardous situations without assistance from others. Indicators of ~~an especial~~ a serious danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation.

The utility may require written verification of the ~~especial~~ serious danger to health by a physician or public health official, including the name of the person endangered; ~~;~~ a statement that the person is a resident of

the premises in question;<sub>i</sub> the name, business address, and telephone number of the certifying party;<sub>i</sub> the nature of the health danger;<sub>i</sub> and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.

~~Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. The~~ If the customer must does not enter into a reasonable payment agreement for the retirement of the unpaid balance of the account within the first 30 days and does not keep the current account paid during the period that the unpaid balance is to be retired, the customer is subject to disconnection pursuant to paragraph 19.4(15)"f."

~~Reasonable payment agreement. If financial difficulty of a residential customer is confirmed, disconnection may not take place until after the utility has offered the customer an opportunity to enter into a reasonable payment agreement as required by 19.4(10). Disconnection shall be delayed 30 days for the making of a reasonable payment agreement and the 30 days shall be extended to 60 days if requested of the utility by the board upon receipt of a complaint that the utility has arbitrarily refused a payment agreement offered by the customer and upon a finding the customer has made payment as provided for in the offered agreement.~~

(9) Winter energy assistance (November 1 through April 1). If the utility is informed that the customer's household may qualify for winter energy assistance or weatherization funds, there shall be no disconnection of service for 30 days from the date of application the utility is notified to allow the customer time to obtain assistance. Disconnection shall not take place from November 1 through April 1 for a residence in which a resident who is a head of household and who has been certified to the public utility by the community action agency as eligible for either the low-income home

energy assistance program or weatherization assistance program. ~~In addition to the notification procedure required herein, the utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 6,000 customers may publish notice in an advertisement in a local newspaper of general circulation or shopper's guide. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing.~~

e. Abnormal gas consumption. A customer who is subject to disconnection for nonpayment of bill, and who has gas consumption which appears to the customer to be abnormally high, may request the utility to provide assistance in identifying the factors contributing to this usage pattern and to suggest remedial measures. The utility shall provide assistance by discussing patterns of gas usage which may be readily identifiable, suggesting that an energy audit be conducted, and identifying sources of energy conservation information and financial assistance which may be available to the customer.

f. ~~Without~~ A utility may disconnect gas service without the written 12-day notice; for failure of the customer to comply with the terms of a payment agreement, provided that:

(1) In the case of a customer owning or occupying a residential unit that will be affected by disconnection, the utility has made a diligent attempt, at least one day prior to disconnection, to contact the customer by telephone or in person to inform the customer of the pending disconnection and ~~their~~ the customer's rights and remedies; ~~if.~~ If an attempt at personal or telephone contact of a customer occupying a unit which a utility knows or should know is a rental unit has been unsuccessful, the landlord of the rental unit, if known, shall be contacted to determine if the customer is still in occupancy and, if so, ~~their~~ the customer's present location. The landlord shall also be informed of the date when service may be disconnected.

(2) During the period November 1 through April 1, if the attempt at customer contact fails, the premises must be posted with a notice informing the customer of the pending disconnection and rights or remedies available to avoid disconnection at least one day prior to disconnection; if, if the disconnection will affect occupants of residential units leased from the customer, the premises of any building known by the utility to contain residential units affected by disconnection must be posted, at least two days prior to disconnection, with a notice informing any occupants of the date when service will be disconnected and the reasons therefor. Disconnection is subject to the provisions of paragraph 19.4(15)"d."

~~(2) The disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes a payment or other arrangements after normal business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day. A disconnection may not take place where gas is used as the only source of space heating or to control or operate the only space heating equipment at the residence, on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with 19.4(15)"h"(3) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area where the residence is located rises to above 20 degrees, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of this rule.~~

~~(3) Disconnection of a residential customer shall be postponed if the disconnection of service would present an especial danger to the health of any permanent resident of the premises. An especial danger to health is indicated if one appears to be seriously impaired and may, because of mental or physical problems, be unable to manage their own resources, carry out activities of daily living or protect oneself from neglect or hazardous situations without assistance from others. Indicators of an especial danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation. The utility may require written verification of the especial danger to health by a physician or public health official, including the name of the person endangered, a statement that the person is a resident of the premises in question, the name, business address, and telephone number of the certifying party, the nature of the health danger and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.~~

~~Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. The customer must pay the unpaid balance under the payment agreement within the first 30 days and keep the current account paid during the period that disconnection is postponed.~~

~~j. For failure of the customer to furnish such service equipment, permits, certificates, or rights of way necessary to serve said customer as shall have been specified by the utility as a condition to obtaining service, or in the event such equipment or permissions are withdrawn or terminated.~~

g. The utility shall, prior to November 1, mail customers a notice describing the availability of winter



energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing. A utility serving fewer than 6,000 customers may publish the notice in an advertisement in a local newspaper of general circulation or shopper's guide.

**Summary of Comments:**

Legal Aid suggested that the rule should specifically require utilities to provide prompt written refusals of service with reasons explaining the refusal. Legal Aid stated that the current rules contain no specific requirement and the proposed rules do not go far enough. Legal Aid stated that in its experience, utilities refuse service to people verbally for reasons that may not be legally justifiable and there is no record of the refusal. In addition, the proposed rules fail to state what constitutes proper notice and to inform the customer they may ask the Board for help in getting service.

Legal Aid objected to the deletion of language in the existing rules allowing the reconnection of a customer with an “especial” health danger if verification is received within 14 days of disconnection.

Legal Aid supported requiring a utility to make additional contact with any customer who may be disconnected in addition to the 12-day notice. The customer should have an additional opportunity to dispute the bill.

Aquila commented that the proposed change requiring the utility to provide “a reasonable opportunity to dispute the reason for the disconnection or refusal” may be ambiguous enough to allow a customer to delay disconnection. Aquila suggested retention of the current language or clarification of the proposed language.

Consumer Advocate suggested modifying the amendment to the opening sentence to read, “A utility shall not refuse service or disconnect service except in accordance with its tariffs and these rules.” Consumer Advocate otherwise

opposed the proposed amendments to this subrule. Consumer Advocate suggested the proposed amendments delete needed consumer protections and additional modification should be made if the amendments are adopted.

Consumer Advocate suggested that notification should be required for all disconnections, except where continued service poses a danger to an individual. Consumer Advocate opposed removal of the requirement that utilities give the customer a reasonable amount of time to comply with the rule before disconnection. Consumer Advocate suggested that the prohibition against disconnection between the hours of 6 a.m. and 2 p.m. should be expanded to include business customers and suggested that the requirement that the utility has made a reasonable attempt to effect collection prior to disconnection should be retained.

Consumer Advocate stated that it supported Legal Aid comments on subparagraph 19.4(15)"d"(1) and recommended the Board include business customers in the class of customers protected by these rules.

MidAmerican addressed subparagraph 19.4(15)"b"(4) and asked for clarification that "unauthorized use" included fraudulent acts such as identity theft and misrepresentation.

MidAmerican stated that it does not attempt to contact a customer concerning possible disconnection prior to sending the 12-day notice, to satisfy the current requirements of subparagraph 19.4(15)"d"(1). MidAmerican attempts to contact the customer at the end of the 12 days, but prior to disconnection.

MidAmerican addressed subparagraph 19.4(15)"d"(5) and stated it agrees with the proposed amendments. It suggested adding some explanation of what "disputed" means in this context. MidAmerican suggested that the rule should not apply where the customer acknowledges use of the service, does not dispute the rate classification, and just wants to dispute the bill.

MidAmerican stated it does not believe that "serious" is a reasonable synonym for "especial," in the context of an "especial health hazard."

MidAmerican addressed subparagraph 19.4(15)"d"(9), relating to winter energy assistance, and stated that the current system of notification by the community action agency is working smoothly and suggested the insertion of the words "by the qualifying agency" between the words "informed" and "that" in the first sentence. This change would mean that the utility would only have to delay disconnection when a community action agency informs the utility that the customer has applied for winter energy assistance.

MidAmerican stated that the rule allowing the customer to seek Board assistance might compromise the Board's position as decision maker by allowing Board participation too early in the process. Also, MidAmerican suggested that the Board may receive so many requests at one time as to overburden the Board's resources.

IAEC agreed that the utilities in its association should send written notice of refusal of service if requested by the customer, but it would be unduly burdensome for the utility to be required to send a written notice of refusal in every instance where service was refused to a customer.

IAEC stated that its members use the 12-day notice to contact the customer about disconnection and do not undertake any other contact to comply with subparagraph 19.4(15)"d"(1).

IPL stated that it tries to contact all customers prior to disconnection. IPL opposed expanding the disconnection rules to include business customers. IPL supports keeping the term "especial" in the rules.

**Board Analysis:**

The Board determined in Docket No. RMU-03-2 that the term "especial" should be retained for the description of the nature of the health condition that would require the utility to give the customer 30 days delay in disconnection. The Board will not adopt the proposed amendment to change "especial" to "serious."

The Board agrees with Legal Aid that the 14-day grace period should be retained to allow a customer with an especial health condition to obtain verification of the condition after disconnection. If the customer obtains the verification and notifies the utility, then the utility is required to reconnect service for 30 days.

The proposed amendment to current subparagraph 19.4(15)"h"(1) requires the utility to give the customer a reasonable opportunity to dispute the disconnection or refusal. The proposed amendment could be construed to mandate a second contact by the utility. The comments at the hearing indicated that the utilities do not provide an additional opportunity to customers prior to the 12-day notice. The Board finds that the current rule provides sufficient notice to

the customer and the proposed language creates ambiguity concerning utility contact and will not be adopted.

The Board finds it is not necessary to revise the rule identifying the circumstances in which a utility can disconnect without giving notice. The proposed amendment only reorganized the requirements and proposed no substantive changes. The circumstances under which a utility is authorized to disconnect service without notice are found in proposed paragraph 19.4(15)"b" and provide the utility the authority to immediately disconnect service to protect the utility's equipment or the safety or health of a customer or the public. The Board does not consider identity theft or misrepresentation to require the same immediate action by the utility. The 12-day notice should be sufficient in those instances.

The Board believes that the proposal of Consumer Advocate to add business customers to some of the provisions of this rule may be outside the scope of this rule making. Expansion of the protected class of customers would require consideration of information that the Board does not have in this record, such as the potential for increased bad debt expense and the resulting effect on other customers.

The Board finds that a revision of subparagraph 19.4(15)"d"(5) to include a requirement that the customer acknowledge use of the service at the right rate, as suggested by MidAmerican, is not appropriate. Whether the customer has a valid dispute is for the utility and, ultimately, the Board to decide if a complaint is made.

The Board will not adopt MidAmerican's suggestion to add the phrase "by a qualifying agency" after the word "informed" in proposed subparagraph 19.4(15)"d"(9). The subparagraph gives a 30-day grace period to the customer after the customer notifies the utility of the customer's possible eligibility for LIHEAP. MidAmerican's suggested language appears to eliminate this grace period since it appears to eliminate the possibility of notification by the customer.

The Board will retain the existing language in the second sentence in proposed subparagraph (9) concerning winter energy assistance. It appears the proposed amendment does not add clarity and may create some uncertainty that does not exist under the current provision.

The Board will add a reference to the definition of "customer" in subrule 199 IAC 19.1(3) to the first paragraph in subrule 19.4(15) to indicate who is a customer and to clarify the removal of the terms "prospective" and "disconnected" customer.

The amendments with the revisions discussed above will be incorporated into the adopted rules.

**5. The Board proposed to amend subrule 19.4(17) as follows:**

**19.4(17)** When disconnection prohibited. No disconnection may take place from November 1 through April 1 for a residence in which a resident ~~who is a head of household and who~~ has been certified to public utility by the local community action agency as being eligible for either the low-income home energy assistance program or weatherization assistance program. ~~No disconnection shall take place from April 1, 2001, through May 1, 2001, for eligible residents.~~

**Summary of Comments:**

The Board received no comments about these proposed amendments.

**Board Analysis:**

The Board finds that the proposed amendments deleting the reference to "head of household" do not add clarity and may create uncertainty concerning who is covered by the winter moratorium. The Board will retain the existing language concerning "head of household" but will adopt the proposed amendment to delete the language related to the winter moratorium for April 2001.

**6. The Board proposed to amend paragraph 20.4(1)"d" as follows:**

d. ~~Post a notice in a conspicuous place in each office of the utility where applications for service are received, informing~~ Inform the public that copies of the rate schedules and rules relating to the service of the utility, as filed with the board, are available for public inspection at the utility's offices or by mail upon request. If the utility has a Web site, the utility shall make the applicable rate schedules and rules available on the utility's Web site.

Legal Aid, Aquila, IAEC, and Consumer Advocate suggested that the proposed changes to paragraph 19.4(1)"d" be applied to this paragraph also.

The Board will adopt the amendments for this paragraph consistent with the revisions to paragraph 19.4(1)"d."



**7. The Board proposed to amend subrule 20.4(11)**

The proposed amendments to subrule 20.4(11) are the same as those proposed for subrule 19.4(10) and not reproduced.

The comments addressing the proposed amendments to this subrule are the same as those made for 19.4(10). The Board will adopt the proposed amendments with revisions for subrule 20.4(11) that are consistent with the amendments adopted for subrule 19.4(10).

**8. The Board proposed to amend subrule 20.4(12) as follows:**

**20.4(12)** Bill payment terms. The bill shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the bill shall be considered rendered when delivered to the last-known address of the party responsible for payment. There shall not be less than 20 days between the rendering of a bill and the date by which the account becomes delinquent. Bills for customers on more frequent billing intervals under subrule 20.3(6) may not be considered delinquent less than 5 days from the date of rendering. However, a late payment charge may not be assessed if payment is received within 20 days of the date the bill is rendered.

a. The date of delinquency for all residential customers or other customers whose consumption is less than 3000 kWh per month, shall be changeable for cause in writing; such as, but not limited to, 15 days from approximate date each month upon which income is received by the person responsible for payment. In no case, however, shall the utility be required to delay the date of delinquency more than 30 days beyond the date of preparation of the previous bill.

b. In any case where net and gross amounts are billed to customers, the difference between net and gross is a late payment charge and is valid only when part of a delinquent bill payment. A utility's late payment charge shall not exceed 1.5 percent per month of the past due amount. No collection fee may be levied in addition to

this late payment charge. This rule does not prohibit cost-justified charges for disconnection and reconnection of service.

c. If the customer makes partial payment in a timely manner, and does not designate the service or product for which payment is made, the payment shall be credited pro rata between the bill for utility services and related taxes.

d. Each account shall be granted not less than one complete forgiveness of a late payment charge each calendar year. The utility's rules shall be definitive that on one monthly bill in each period of eligibility, the utility will accept the net amount of such bill as full payment for such month after expiration of the net payment period. The rules shall state how the customer is notified that the eligibility has been used. Complete forgiveness prohibits any effect upon the credit rating of the customer or collection of late payment charge.

e. Level payment plan. All residential customers or other customers whose consumption is less than 3000 kWh per month may select a plan of level payments. The rules for such plan shall include at least the following:

~~a.~~ (1) Be offered when the customer initially requests service.

~~b.~~ (2) Have a date of delinquency changeable for cause in writing; such as, but not limited to, 15 days from approximate date each month upon which income is received by the person responsible for payment. The utility's rules may provide that the delinquency date may not be changed to a date later than 30 days after the date of preparation of the previous bill.

~~c.~~ (3) Provide for entry into the level payment plan anytime during the calendar year. The month of entry shall be that customer's anniversary month.

~~d.~~ (4) The billing period level payment to be the sum of estimated charges divided by the number of standard billing intervals, all for the next 12 consecutive months.

~~e. (5) Except for termination of service, a~~ A customer on a level payment plan may not request termination of the plan (or withdrawal from the plan) until the first anniversary date following entry at any time. If the customer's account is in arrears, the customer may be required to bring the account to a current balance before termination or withdrawal. If there is a credit balance, the customer shall be allowed the option of obtaining a refund or applying the credit to charges for subsequent months' service.

~~f. (6) The level payment plan account balance on the anniversary date shall be carried forward and added to the estimated charges for service during the next year, and this total will be the basis for computing the next year's periodic billing interval level payment amount. The customer shall be given the option of applying any credit to payments of subsequent months' level payment amounts due or obtaining a refund of any credit in excess of \$25. For purposes of this paragraph the~~ The anniversary date account balance shall not carry forward on an unpaid level payment bill. For delinquency on a level payment plan amount see 20.4(12)"i" subparagraph 20.4(12)"e"(9).

~~g. (7) The amount to be paid in each billing interval by a customer on a level payment plan shall be computed at the time of entry into the plan. It may be recomputed on each anniversary date, when requested by the customer, or whenever price, consumption, alone or in combination results in a new estimate differing by 10 percent or more from that in use.~~

When a customer's payment level is recomputed, the customer shall be notified of the revised payment amount and the reason for the change. The notice shall be served not less than 30 days prior to the date of delinquency for the first revised payment. The notice may accompany the bill prior to the bill that is affected by the revised payment amount.

~~h. (8) The account shall be balanced upon termination of service or withdrawal in accord~~ accordance with the utility's tariff.

~~i. (9) Irrespective of the account balance, a delinquency in payment shall be subject to the same~~

procedures as other accounts ~~on~~ for late payment charge on the level payment amount, ~~collection, or cutoff.~~ If the account balance is a debit, a delinquency in payment shall be subject to the same procedures as other accounts for collection or disconnection. If the account balance is a credit, the level payment plan shall terminate after 30 days of delinquency.

### **Summary of Comments:**

Aquila stated that it had no objection to the proposed amendments.

IAEC suggested that the proposed amendments be modified to allow a company to bill a customer electronically if the customer agrees. IAEC stated that the Board has granted waivers to allow this for certain utilities.

### **Board Analysis:**

The Board finds that the same revisions made to subrule 19.4(11) should be made to this subrule. The Board will revise the language in subparagraph 20.4(12)"e"(2) to make it consistent with adopted subparagraph 19.4(11)"e"(2). The Board believes the suggestion to allow electronic billing is probably beyond the scope of this rule making because it would require consideration of information that is not in this record. For the present, the Board will continue to allow electronic billing on a voluntary waiver basis, in order to gain experience with this alternative before revising the rules.

**9. The Board proposed to adopt new paragraph 20.4(14)"g" as follows:**

g. Credits and explanations. Credits due a customer because of meter inaccuracies, errors in billing, or misapplication of rates shall be separately identified.

**Summary of Comments:**

IAEC suggested substituting the following language for this new paragraph: "Adjustments to a customer's bill. Adjustments to a customer's bill because of meter inaccuracies, errors in billing, or misapplication of rates, shall be separately identified on the customer's bill."

**Board Analysis:**

The Board finds that new paragraph 20.4(14)"g" should contain the same language as in subrule 19.4(14) for consistency. Modification of the language in this paragraph as suggested would make it inconsistent with subrule 19.4(14), so the revisions will not be adopted.

**10. The Board proposed to amend subrule 20.4(15) as follows:**

**20.4(15)** Refusal or disconnection of service. A utility shall refuse service or disconnect service in accordance with tariffs that are consistent with these rules. ~~Notice of a pending disconnection shall be rendered, and electric service refused or disconnected as set forth in the tariff.~~

a. The utility shall give written notice of pending disconnection except as specified in paragraph 20.4(15)"b." ~~The notice of pending disconnection required by these rules shall be a written notice setting set forth the reason for the notice, and final date by which the account is to be settled or specific action taken. The notice shall be considered rendered to the customer when addressed to the customer's last-known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the notice shall be considered rendered when delivered to the last-known address of the person responsible for payment~~

for the service. The date for ~~refusal or~~ disconnection of service shall be not less than 12 days after the notice is rendered. The date for ~~refusal or~~ disconnection of service for customers on shorter billing intervals under subrule 20.3(6) shall not be less than 24 hours after the notice is posted at the service premises.

One written notice, including all reasons for the notice, shall be given where more than one cause exists for ~~refusal or~~ disconnection of service. ~~The notice shall also state the final date by which the account is to be settled or other specific action taken.~~ In determining the final date by which the account is to be settled or other specific action taken, the days of notice for the causes shall be concurrent.

~~Service may be refused or disconnected for any of the reasons listed below. Unless otherwise stated, the customer shall be provided notice of the pending disconnection and the rule violation which necessitates disconnection. Furthermore, unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is disconnected. Except as provided in 20.4(15)"a," "b," "c," and "d," no service shall be disconnected on the day preceding or day on which the utility's local business office or local authorized agent is closed.~~

b. Service may be ~~refused or~~ disconnected without notice:

a. (1) ~~Without notice in~~ In the event of a condition determined by the utility to be hazardous.

b. (2) ~~Without notice in~~ In the event of customer use of equipment in a manner which adversely affects the utility's equipment or the utility's service to others.

c. (3) ~~Without notice in~~ In the event of tampering with the equipment furnished and owned by the utility. For the purposes of this subrule, a broken or absent meter seal alone shall not constitute tampering.

d. (4) ~~Without notice in~~ In the event of unauthorized use.

c. Service may be disconnected or refused after proper notice:

~~e. (1)~~ For violation of or noncompliance with the utility's rules on file with the utilities division board.

~~f. (2)~~ For failure of the customer or ~~prospective customer~~ to furnish the service equipment, permits, certificates, or rights-of-way which are specified to be furnished, in the utility's rules filed with the utilities division board, as conditions of obtaining service, or for the withdrawal of that same equipment, or for the termination of those same permissions or rights, or for the failure of the customer or ~~prospective customer~~ to fulfill the contractual obligations imposed as conditions of obtaining service by any contract filed with and subject to the regulatory authority of the utilities division board.

~~g. (3)~~ For failure of the customer to permit the utility reasonable access to its the utility's equipment.

~~h. d.~~ For Service may be refused or disconnected after proper notice for nonpayment of bill or deposit, except as restricted by subrules 20.4(16) and 20.4(17), provided that the utility has complied with the following provisions when applicable:

~~(1) Made a reasonable attempt to effect collection~~  
Given the customer a reasonable opportunity to dispute the reason for the disconnection or refusal;

~~(2) Given the customer, and any other person or agency designated by the customer, written notice that the customer has at least 12 days in which to make settlement of the account, together with to avoid disconnection and a written summary of the rights and remedies available to avoid disconnection.~~ Customers billed more frequently than monthly pursuant to subrule 20.3(6) shall be given posted written notice that they have 24 hours to make settlement of the account, together with to avoid disconnection and a written summary of the rights and remedies available to avoid disconnection. All written notices shall include a toll-free or collect telephone number where a utility representative qualified to provide additional information about the disconnection can be reached. Each utility

representative must provide ~~their~~ the representative's name ~~to the caller~~, and have immediate access to current, detailed information concerning the customer's account and previous contacts with the utility.

(3) No change.

(4) If the utility has adopted a service limitation policy pursuant to subrule 20.4(23), the following paragraph shall be appended to the end of the standard form for the summary of rights and remedies, as set forth in subparagraph 20.4(15)"hd"(3).

Service limitation. We have adopted a policy of service limitation before disconnection. You may be qualified for service limitation rather than disconnection. To see if you qualify, contact our business office.

(5) No change.

~~(6) Given the customer a reasonable opportunity to dispute the reason for the disconnection and, if to the extent applicable, complied with each of the following:~~

~~Disputed bill. In the event there is a~~ If the customer has received notice of disconnection and has a dispute concerning a bill for electric utility service, the utility may require the customer to pay a sum of money equal to the amount of the undisputed portion of the bill pending settlement and thereby avoid discontinuance of service. A utility shall delay disconnection for nonpayment of the disputed bill for up to 45 days after the rendering of the disputed bill if the customer pays the undisputed amount. The 45 days shall be extended by up to 60 days if requested of the utility by the board in the event the customer files a written complaint with the board in compliance with 199—Chapter 6.

(7) Special circumstances. Disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes payment or other arrangements during normal business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other



arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day.

(8) Severe cold weather. A disconnection may not take place where electricity is used as the only source of space heating or to control or operate the only space heating equipment at the residence, on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with subparagraph 20.4(15)"d"(5) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area where the residence is located rises to above 20 degrees Fahrenheit and is forecasted to be above 20 degrees for at least 24 hours, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of ~~this rule.~~ paragraph 20.4(15)"d."

(9) Health of a resident. Disconnection of a residential customer shall be postponed if the ~~discontinuance~~ disconnection of service would present ~~an especial a~~ a serious danger to the health of any permanent resident of the premises. ~~An especial~~ A serious danger to health is indicated if ~~one a person~~ appears to be seriously impaired and may, because of mental or physical problems, be unable to manage ~~their~~ the person's own resources, to carry out activities of daily living or ~~protect oneself to be protected~~ from neglect or hazardous situations without assistance from others. Indicators of ~~an especial a serious~~ a serious danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation.

The utility may require written verification of the ~~especial~~ serious danger to health by a physician or public health official, including the name of the person endangered; <sup>1</sup> a statement that the person is a resident of the premises in question; <sup>2</sup> the name, business address,

and telephone number of the certifying party;<sup>i</sup> the nature of the health danger;<sup>i</sup> and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.

~~Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. The~~ If the customer must does not enter into a reasonable payment agreement for the retirement of the unpaid balance of the account within the first 30 days and does not keep the current account paid during the period that the unpaid balance is to be retired~~-, the customer is subject to disconnection pursuant to paragraph 20.4(15)"f."~~

~~Reasonable payment agreement. If financial difficulty of a residential customer is confirmed, disconnection may not take place until after the utility has offered the customer an opportunity to enter into a reasonable payment agreement as required by 20.4(11). Disconnection shall be delayed 30 days for the making of a reasonable payment agreement and the 30 days shall be extended to 60 days if requested of the utility by the board upon receipt of a complaint that the utility has arbitrarily refused a payment agreement offered by the customer and upon a finding the customer has made payment as provided for in the offered agreement.~~

(10) Winter energy assistance (November 1 through April 1). If the utility is informed that the customer's household may qualify for winter energy assistance or weatherization funds, there shall be no disconnection of service for 30 days from the date of application the utility is notified to allow the customer time to obtain assistance. Disconnection shall not take place from November 1 through April 1 for a residence in which a resident ~~who is a head of household and who has been~~ certified to the public utility by the community action agency as eligible for either the low-income home energy assistance program or weatherization assistance

~~program. In addition to the notification procedure required herein, the utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 6,000 customers may publish notice in an advertisement in a local newspaper of general circulation or shopper's guide. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing.~~

e. Abnormal electric consumption. A customer who is subject to disconnection for nonpayment of bill, and who has electric consumption which appears to the customer to be abnormally high, may request the utility to provide assistance in identifying the factors contributing to this usage pattern and to suggest remedial measures. The utility shall provide assistance by discussing patterns of electric usage which may be readily identifiable, suggesting that an energy audit be conducted, and identifying sources of energy conservation information and financial assistance which may be available to the customer.

~~i. f.~~ Without A utility may disconnect electric service without the written 12-day notice; for failure of the customer to comply with the terms of a payment agreement, provided that:

(1) In the case of a customer owning or occupying a residential unit that will be affected by disconnection, the utility has made a diligent attempt, at least one day prior to disconnection, to contact the customer by telephone or in person to inform the customer of the pending disconnection and the customer's rights and remedies; ~~if.~~ If an attempt at personal or telephone contact of a customer occupying a unit which a utility knows or should know is a rental unit has been unsuccessful, the landlord of the rental unit, if known, shall be contacted to determine if the customer is still in occupancy and, if so, ~~their~~ the customer's present location. The landlord shall also be informed of the date when service may be disconnected.

(2) During the period November 1 through April 1, if the attempt at customer contact fails, the premises must be posted with a notice informing the customer of the pending disconnection and rights or remedies available to avoid disconnection at least one day prior to disconnection; ~~if.~~ If the disconnection will affect occupants of residential units leased from the customer, the premises of any building known by the utility to contain residential units affected by disconnection must be posted, at least two days prior to disconnection, with a notice informing any occupants of the date when service will be disconnected and the reasons therefor. Disconnection is subject to the provisions of paragraph 20.4(15)"d."

~~(2) The disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes a payment or other arrangements after normal business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day. A disconnection may not take place where electricity is used as the only source of space heating or to control or operate the only space heating equipment at the residence, on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with 20.4(15)"h"(5) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area where the residence is located rises to above 20 degrees, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of this rule.~~

~~(3) Disconnection of a residential customer shall be postponed if the disconnection of service would present an especial danger to the health of any permanent resident of the premises. An especial danger to health is indicated if one appears to be seriously impaired and may, because of mental or physical problems, be unable to manage their own resources, carry out activities of daily living or protect oneself from neglect or hazardous situations without assistance from others. Indicators of an especial danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation. The utility may require written verification of the especial danger to health by a physician or public health official, including the name of the person endangered, a statement that the person is a resident of the premises in question, the name, business address, and telephone number of the certifying party, the nature of the health danger and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.~~

~~Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. The customer must pay the unpaid balance under the payment agreement within the first 30 days and keep the current account paid during the period that disconnection is postponed.~~

g. The utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing. A utility serving fewer than 6,000 customers

may publish the notice in an advertisement in a local newspaper of general circulation or shopper's guide.

j-h. Without the written 12-day notice, for failure of a residential customer who has had service limited in accordance with subrule 20.4(23) to pay the full amount due for past service or to enter into a reasonable payment agreement, provided that:

(1) The minimum time period, as specified in the utility's tariff, for the service limiter to remain in place prior to initiation of the disconnection procedure has elapsed;

(2) The requirements of paragraph 20.4(15)"i"(4) relating to in-person, telephone or posted notice, have been satisfied;

(3) The requirements of subparagraph 20.4(15)"i"(2)"d"(7) and (8), relating to time and temperature restrictions on disconnection are satisfied, to the extent applicable; and

(4) The requirements of subparagraph 20.4(15)"i"(3)"d"(9), relating to health restrictions on disconnection are satisfied, to the extent applicable.

**Summary of Comments:**

Many of the comments submitted with respect to this proposed amendment were also made about subrule 19.4(15). The Board's summary and analysis of Item 4, supra, applies to this rule, as well.

IAEC suggested that the term “tariff” should be used consistently throughout this subrule and the language should be modified to provide that the utility shall refuse service or disconnect service in accordance with its tariff, which tariff provision shall not be in violation of these rules.

IAEC addressed paragraph 20.4(15)"b," relating to disconnection without notice, and suggested the Board retain the reference to refusal of service without notice. IAEC stated that the conditions that justify disconnection without notice may also exist when a customer has not yet received service.

IAEC stated that the 12-day notice in subparagraph 20.4(15)"d"(2) should meet the requirements of “reasonable notice” in subparagraph (1). Having a separate requirement in subparagraph (1) may imply that a separate notice, in addition to the 12-day notice, is required.

IAEC addressed subparagraph 20.4(15)"d"(3) and suggested that any changes to this subparagraph in Docket No. RMU-03-2 should be included in this rule making.

IAEC suggested that subparagraph 20.4(15)"d"(6) should include language that requires the customer to have a reasonable basis for disputing the bill and the utility must be notified of the reasonable basis. It may also be

appropriate to modify the language to “disconnection of service” as it is in other parts of the rule, rather than “discontinuance of service.”

IAEC also suggested that subparagraph 20.4(15)"d"(9) should use the word “exceptional,” rather than “serious,” as a substitute for “especial.” IAEC proposed that language should be retained in this subparagraph that clarifies to the utilities and customers that verification of an existing health danger does not constitute a permanent prohibition against disconnection, but only a 30-day delay. The subparagraph should also clarify that the utility is not required to offer a customer a second payment agreement if the customer is in default of a payment agreement.

IAEC suggested that the requirement that the resident be the “head of household” should be retained in subparagraph 20.4(15)"d"(10).

IAEC suggested that the general reference in 20.4(15)"f" to all of the provisions of subrule 20.4(15) is overly broad and some of the provisions may not be applicable. IAEC suggested the paragraph make specific reference to paragraph 20.4(15)"d."

IAEC addressed paragraph 20.4(15)"g" and suggested that companies should be allowed to send the notice of rights and remedies electronically.

#### **Board Analysis:**

The Board finds that the same revisions recommended for subrule 19.4(15) should be adopted for subrule 20.4(15). Further, the Board will not adopt IAEC's suggestion that paragraph 20.4(15)"b," relating to disconnection without notice, should continue to include a reference to refusal without notice.



The concept of advance notice simply does not apply to a refusal to provide service in the first place.

**11. The Board proposed to amend subrule 20.4(16) as follows:**

**20.4(16)** Insufficient reasons for denying service. The following shall not constitute sufficient cause for refusal of service to a ~~present or prospective~~ customer:

- a. Delinquency in payment for service by a previous occupant of the premises to be served.
- b. Failure to pay for merchandise purchased from the utility.
- c. Failure to pay for a different type or class of public utility service.
- d. Failure to pay the bill of another customer as guarantor thereof.
- e. Failure to pay the back bill rendered in accordance with paragraph 20.4(14)"d:" (slow meters).
- f. Failure to pay a bill rendered in accordance with paragraph 20.4(14)"f."
- g. Failure of a residential customer to pay a deposit during the period November 1 through April 1 for the location at which ~~he or she~~ the customer has been receiving service.
- h. No change.

**Summary of Comments:**

IAEC suggested paragraph 20.4(16)"a" should be modified to read:  
"Delinquency in payment for service by a previous occupant of the premises to be served, unless the previous occupant either continues to reside at the premises or resumes residency following a departure."

Consumer Advocate supported the proposed amendments and suggested adding a reference to the definition of "customer" to the subrule.

**Board Analysis:**

The Board will adopt the amendments as proposed. The Board finds it is not necessary to add the definition of customer to this subrule. The definition is in subrule 20.1(3) and applies to the use of the term "customer" throughout the chapter. The Board has added a reference to the definition of customer in subrule 20.4(15).

IAEC's proposed amendment is rejected because it appears to go beyond the scope of this rule making. Issues associated with the identity of the occupants at a particular address are not a logical outgrowth of this proceeding.

**12. The Board proposed to amend subrule 20.4(17) as follows:**

**20.4(17)** When disconnection prohibited. No disconnection may take place from November 1 through April 1 for a residence in which a resident ~~who is a head of household and who~~ has been certified to the public utility by the local community action agency as being eligible for either the low-income home energy assistance program or weatherization assistance program. ~~No disconnection shall take place from April 1, 2001, through May 1, 2001, for eligible residents.~~

IAEC suggested the requirement that a resident be a "head of household" be retained in subrule 20.4(17).

The Board has decided after a review of the proposed amendments that they do not clarify the subrule and may create some uncertainty concerning the application of the provisions. The Board only adopts the amendment that deletes the reference to the 2001 moratorium period.

## **ORDERING CLAUSES**

### **IT IS THEREFORE ORDERED:**

1. A rule making proceeding, identified as Docket No. RMU-03-3, is adopted.
2. The Executive Secretary is directed to submit for publication in the Iowa Administrative Bulletin a notice in the form attached to and incorporated by reference in this order.

### **UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 18<sup>th</sup> day of November, 2003.

## **UTILITIES DIVISION [199]**

### **Adopted and Filed**

Pursuant to the authority of Iowa Code sections 17A.4, 476.1, 476.1A, 476.1B, 476.2, 476.3, and 476.20, the Utilities Board (Board) issued an order adopting amendments on November 18, 2003, in Docket No. RMU-03-3, In re: Customer Service Rules Revisions; Executive Orders 8 and 9 [199 IAC 6, 19.4(476), 20.4(476), and 21.4(476)], "Order Adopting Amendments." The order adopted amendments with certain revisions to chapter 6 and rules 19.4, 20.4, and 21.4 that had been published in IAB Vol. XXV, No. 20 (4/2/30) pp. 1324-34, ARC 2378B. The amendments were proposed based upon a review of the Board's rules required by Executive Orders 8 and 9 and a continuing review of the Board customer service rules. After the review, no amendments were proposed for 199 IAC 21.4(476).

Comments addressing the proposed amendments were filed by Iowa Legal Aid (Legal Aid), Aquila, Inc., d/b/a Aquila Networks, MidAmerican Energy Company (MidAmerican), the Iowa Association of Electric Cooperatives, Interstate Power and Light Company (IPL), and the Consumer Advocate Division of the Department of Justice (Consumer Advocate). An oral presentation to receive additional comments on the proposed amendments was held on May 28, 2003. Oral comments were made by MidAmerican, IPL, Consumer Advocate, and Legal Aid.

The proposed amendments, comments, and analysis in support of the proposed amendments and revisions can be found on the Board's Web site, [www.state.ia.us/iub](http://www.state.ia.us/iub).

The amendments are intended to implement Iowa Code sections 17A.4, 476.1, 476.1B, 476.2, 476.3, and 476.20. The amendments will be effective on January 14, 2004.

Item 1. Amend subrule 6.2(1) as follows:

**6.2(1)** Information to be filed: Any person may, by ~~mailing~~ filing a written complaint ~~letter~~, request the board to determine whether the utility's charges, practices, facilities or services are in compliance with applicable statutes and rules established by the board, or by the utility in its tariff, and lawfully issued board orders. A written complaint may be filed by facsimile or electronic mail. If there is any question about the authenticity of the complaint, the complainant may be required to file a letter verifying the written complaint. The board may initiate a complaint on its own motion. The complaint ~~letter~~ must be signed and dated by the complainant or by the complainant's representative and addressed to Iowa Utilities Board, 350 Maple Street, Des Moines, Iowa 50319. The ~~letter~~ should include:

Item 2. Amend subrule 6.2(2) as follows:

**6.2(2)** Request for additional information. If the staff determines that additional information is needed in order to resolve the complaint, the complainant will be notified that specified additional information should be filed. ~~Action on the complaint will be held in abeyance until receipt of the requested information.~~ If the requested additional information is not provided within 20 days, the complaint may be dismissed. Dismissal of the complaint on this basis does not prevent the complainant from filing in the future a complaint that includes the requested information.

Item 3. Amend subrule 6.3(3) as follows:

**6.3(3)** The utility shall, within 20 days of the date on which the complaint is ~~mailed~~ forwarded to the utility by the board, file a response to the complaint with the board and shall ~~mail~~ at the same time send a copy of its response to the complainant and the consumer advocate. The utility shall specifically address each allegation made by the complainant and recite any supporting facts, statutes, rules, or tariff provisions supporting its response. The utility shall enclose copies of all related letters, records, or other documents not supplied by the complainant, and all records concerning the complainant that are not confidential or privileged. In ~~these cases~~ involving confidential or privileged records, the response shall advise of the records' existence.

Item 4. Amend subrule 6.5(2) as follows:

**6.5(2)** The request for formal complaint proceedings shall be filed within 14 days after issuance of the proposed resolution or the specified date of utility action, whichever is later. The request shall be considered as filed on the date of the United States Postal Service postmark, ~~or the date personal service is made,~~ or the date received in the Board's records center. The request shall be in writing and must be delivered by United States Postal Service, other delivery service, or personal service. The request shall include the file number (C-XX-XXX) marked on the proposed resolution. It shall explain why the proposed resolution should be modified or rejected and propose an alternate resolution, including any temporary relief desired. Copies of the request shall be mailed to consumer advocate and the parties.

Item 5. Amend paragraph **19.4(1)"d"** as follows:

d. Post a notice in a conspicuous place in each office of the utility where applications for service are received, informing the public that copies of the rate

schedules and rules relating to the service of the utility, as filed with the board, are available for public inspection. If the utility provides access to its rate schedules and rules for service on its Web site, the notice should include the Web site address.

Item 6. Amend subrule 19.4(10) as follows:

**19.4(10) Payment agreements.**

a. Availability—~~customer~~ of agreement.

~~(1) When a residential customer cannot pay in full a delinquent bill for utility service and will be disconnected or has an outstanding debt to the utility for residential utility service and is not in default of a payment agreement with the utility, a utility shall offer the customer an opportunity to enter into a reasonable payment agreement to pay that bill unless the customer is in default on a payment agreement.~~

~~(2) When a disconnected or potential customer for residential service has an outstanding debt to the utility for utility service, cannot pay the debt in full, and is not in default on a payment agreement, the utility must consider a request for a payment agreement.~~

b. No change.

c. Terms of payment agreements.

~~(1) The agreement may require the customer to bring the account to a current status by paying specific amounts at scheduled times. The utility shall offer customers or disconnected customers who have received a disconnection notice or have been disconnected for 120 days or less the option of spreading payments evenly over at least 12 months by paying specific amounts at scheduled times. The utility shall offer customers who have been disconnected for more than 120 days the option of spreading~~

payments evenly over at least 6 months by paying specific amounts at scheduled times.

~~Payments for potential customer agreements may be spread evenly over at least 6 months.~~

(2) The agreement shall also include provision for payment of the current account.

The agreement negotiations and periodic payment terms shall comply with tariff provisions that are consistent with these rules.

(3) When the customer makes the agreement in person, a signed copy of the agreement shall be provided to the customer, ~~disconnected customer or potential customer.~~

(4) The utility may offer the customer the option of making the agreement over the telephone or through electronic transmission. When the customer makes the agreement over the telephone or through electronic transmission, the utility will render to the customer a written document reflecting the terms and conditions of the agreement within three days of the date the parties entered into the oral agreement or electronic agreement. The document will be considered rendered to the customer when addressed to the customer's last-known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the document shall be considered rendered to the customer when delivered to the last-known address of the person responsible for payment for the service. The document shall state that unless the customer notifies the utility within ten days from the date the document is rendered, it will be deemed that the customer accepts the terms as reflected in the written document. The document stating the terms and agreements shall include the address and a toll-free or collect telephone number where a qualified representative can be



reached. By making the first payment, the customer confirms acceptance of the terms of the oral agreement or electronic agreement.

(5) Second agreement. If a customer has retained service from November 1 through April 1 but is in default of a payment agreement, the utility may offer the customer a second payment agreement that will divide the past-due amount into equal monthly payments with the final payment due by the fifteenth day of the next October. The utility may also require the customer to enter into a level payment plan to pay the current bill.

~~The customer who has been in default of a payment agreement from November 1 to April 1 may be required to pay current bills based on a budget estimate of the customer's actual usage, weather-normalized, during the prior 12-month period or based on projected usage if historical use data is not available.~~

d. Refusal by utility. ~~If the utility intends to refuse a payment agreement offered by a customer, it must provide a written refusal to the customer. That refusal, with explanation, must be made within 30 days of mailing of the initial disconnection notice. A customer may protest the utility's refusal by filing a written complaint, including a copy of the utility's refusal, with the board within 10 days after receipt of the written refusal. If the utility intends to refuse a payment agreement to a disconnected or potential customer, it must provide a written refusal within 10 days of the application for payment agreement.~~ A customer may offer the utility a proposed payment agreement. If the utility and the customer do not reach an agreement, the utility may refuse the offer orally, but the utility must render a written refusal of the customer's final offer, stating the reason for the refusal, within three days of the oral notification. The written refusal shall

be considered rendered to the customer when addressed to the customer's last-known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the written refusal shall be considered rendered to the customer when handed to the customer or when delivered to the last-known address of the person responsible for the payment for the service.

A customer may ask the board for assistance in working out a reasonable payment agreement. The request for assistance must be made to the board within ten days after the rendering of the written refusal. During the review of this request, the utility shall not disconnect the service.

Item 7. Amend subrule 19.4(11) as follows:

**19.4(11)** Bill payment terms. The bill shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the bill shall be considered rendered when delivered to the last-known address of the party responsible for payment. There shall be not less than 20 days between the rendering of a bill and the date by which the account becomes delinquent. Bills for customers on more frequent billing intervals under subrule 19.3(7) may not be considered delinquent less than 5 days from the date of rendering. However, late payment charge may not be assessed if payment is received within 20 days of the date the bill is rendered.

a. The date of delinquency for all residential customers or other customers whose consumption is less than 250 ccf per month shall be changeable for cause in writing; such as, but not limited to, 15 days from approximate date each month upon which income is received by the person responsible for payment. In no case, however, shall

the utility be required to delay the date of delinquency more than 30 days beyond the date of preparation of the previous bill.

b. In any case where net and gross amounts are billed to customers, the difference between net and gross is a late payment charge and is valid only when part of a delinquent bill payment. A utility's late payment charge shall not exceed 1.5 percent per month of the past due amount. No collection fee may be levied in addition to this late payment charge. This rule does not prohibit cost-justified charges for disconnection and reconnection of service.

c. If the customer makes partial payment in a timely manner, and does not designate the service or product for which payment is made, the payment shall be credited pro rata between the bill for utility services and related taxes.

d. Each account shall be granted not less than one complete forgiveness of a late payment charge each calendar year. The utility's rules shall be definitive that on one monthly bill in each period of eligibility, the utility will accept the net amount of such bill as full payment for such month after expiration of the net payment period. The rules shall state how the customer is notified that the eligibility has been used. Complete forgiveness prohibits any effect upon the credit rating of the customer or collection of late payment charge.

e. Level payment plan. All residential customers or other customers whose consumption is less than 250 ccf per month may select a plan of level payments. ~~These~~ The rules for such plan shall include at least the following:

~~a.~~ (1) Be offered when the customer initially requests service.

~~b.~~ (2) Have a date of delinquency changeable for cause in writing; such as, but not limited to, 15 days from approximate date each month upon which income is received by the person responsible for payment. The utility's rules may provide that the delinquency date may not be changed to a date later than 30 days after the date of preparation of the previous bill.

~~c.~~ (3) Provide for entry into the level payment plan anytime during the calendar year. The month of entry shall be that customer's anniversary month.

~~d.~~ (4) The billing period level payment to be the sum of estimated charges divided by the number of standard billing intervals, all for the next 12 consecutive months.

~~e.~~ (5) A customer may request termination of the plan (or withdrawal from the plan) at any time. If the customer's account is in arrears, the customer may be required to bring the account to a current balance before termination or withdrawal. If there is a credit balance, the customer shall be allowed the option of obtaining a refund or applying the credit to charges for subsequent months' service.

~~f.~~ (6) The level payment plan account balance on the anniversary date shall be carried forward and added to the estimated charges for service during the next year, and this total will be the basis for computing the next year's periodic billing interval level payment amount. The customer shall be given the option of applying any credit to payments of subsequent months' level payment amounts due or obtaining a refund of any credit in excess of \$40 ~~\$25~~. ~~For purposes of this paragraph the~~ The anniversary date account balance shall not carry forward on an unpaid level payment bill. For delinquency on a level payment plan amount see ~~19.4(11)"i"~~ subparagraph 19.4(11)"e"(9).

~~g-~~ (7) The amount to be paid in each billing interval by a customer on a level payment plan shall be computed at the time of entry into the plan. It may be recomputed on each anniversary date, when requested by the customer, or whenever price, or consumption, alone or in combination ~~result~~ results in a new estimate differing by 10 percent or more from that in use.

When a customer's payment level is recomputed, the customer shall be notified of the revised payment amount and the reason for the change. The notice shall be served not less than 30 days prior to the date of delinquency for the first revised payment. The notice may accompany the bill prior to the bill that is affected by the revised payment amount.

~~h-~~ (8) The account shall be balanced upon termination of service or withdrawal in ~~accord~~ accordance with the utility's tariff.

~~i-~~ (9) Irrespective of the account balance, a delinquency in payment shall be subject to the same procedures as other accounts ~~on~~ for late payment charge on the level payment amount. If the account balance is a debit, a delinquency in payment shall be subject to the same procedures as other accounts for collection or ~~cut-off~~ disconnection. If the account balance is a credit, the level payment plan shall terminate after ~~not less than 30 days nor more than 60 days~~ of delinquency.

Item 8. Amend subrule 19.4(15) as follows:

**19.4(15)** Refusal or disconnection of service. A utility shall refuse service or disconnect service to a customer, as defined in subrule 19.1(3), in accordance with tariffs that are consistent with these rules. ~~Notice of pending disconnection shall be rendered and gas service refused or disconnected as set forth in the tariff.~~

a. The utility shall give written notice of pending disconnection except as specified in paragraph 19.4(15)"b." ~~The notice of pending disconnection required by these rules shall be a written notice setting set forth the reason for the notice, and final date by which the account is to be settled or specific action taken. The notice shall be considered rendered to the customer when addressed to the customer's last known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the notice shall be considered rendered when delivered to the last-known address of the person responsible for payment for the service. The date for refusal or disconnection of service shall be not less than 12 days after the notice is rendered. The date for refusal or disconnection of service for customers on shorter billing intervals under subrule 19.3(7) shall not be less than 24 hours after the notice is posted at the service premises.~~

One written notice, including all reasons for the notice, shall be given where more than one cause exists for refusal or disconnection of service. ~~The notice shall also state the final date by which the account is to be settled or other specific action taken. In determining the final date by which the account is to be settled or other specific action taken, the days of notice for the causes shall be concurrent.~~

~~Service may be refused or disconnected for any of the reasons listed below. Unless otherwise stated, the customer shall be provided notice of the pending disconnection and the rule violation which necessitates disconnection. Furthermore, unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is disconnected. Except as provided in paragraphs 19.4(15)"a," "b," "c,"~~

~~and “d,” no service shall be disconnected on the day preceding or day on which the utility’s local business office or local authorized agent is closed.~~

~~b.~~ Service may be ~~refused or~~ disconnected without notice:

~~a. (1) Without notice in~~ In the event of a condition determined by the utility to be hazardous.

~~b. (2) Without notice in~~ In the event of customer use of equipment in a manner which adversely affects the utility’s equipment or the utility’s service to others.

~~c. (3) Without notice in~~ In the event of tampering with the equipment furnished and owned by the utility. For the purposes of this subrule, a broken or absent meter seal alone shall not constitute tampering.

~~d. (4) Without notice in~~ In the event of unauthorized use.

c. Service may be disconnected or refused after proper notice:

~~e. (1) For violation of or noncompliance with the utility’s rules on file with the utilities division~~ board.

~~f. (2) For failure of the customer or prospective customer to furnish the service equipment, permits, certificates, or rights-of-way which are specified to be furnished, in the utility’s rules filed with the utilities division~~ board, as conditions of obtaining service, or for the withdrawal of that same equipment, or for the termination of those same permissions or rights, or for the failure of the customer or prospective customer to fulfill the contractual obligations imposed as conditions of obtaining service by any contract filed with and subject to the regulatory authority of the ~~utilities~~ board.

~~g. (3) For failure of the customer to permit the utility reasonable access to its~~ the utility’s equipment.

~~h. d. For~~ Service may be refused or disconnected after proper notice for  
nonpayment of bill or deposit, except as restricted by subrules 19.4(16) and 19.4(17),  
provided that the utility has complied with the following provisions when applicable:

(1) ~~Made a reasonable attempt to effect collection;~~ Given the customer a  
reasonable opportunity to dispute the reason for the disconnection or refusal;

(2) Given the customer, and any other person or agency designated by the  
customer, written notice that the customer has at least 12 days in which to make  
settlement of the account, ~~together with~~ to avoid disconnection and a written summary  
of the rights and remedies available ~~to avoid disconnection~~. Customers billed more  
frequently than monthly pursuant to subrule 19.3(7) shall be given posted written notice  
that they have 24 hours to make settlement of the account, ~~together with~~ to avoid  
disconnection and a written summary of the rights and remedies ~~available to avoid~~  
~~disconnection~~. All written notices shall include a toll-free or collect telephone number  
where a utility representative qualified to provide additional information about the  
disconnection can be reached. Each utility representative must provide ~~their~~ the  
representative's name ~~to the caller~~, and have immediate access to current, detailed  
information concerning the customer's account and previous contacts with the utility.

(3) and (4) No change.

(5) ~~Given the customer a reasonable opportunity to dispute the reason for the~~  
~~disconnection and, if to the extent applicable, complied with each of the following:~~

Disputed bill. ~~In the event there is a~~ If the customer has received notice of  
disconnection and has a dispute concerning a bill for natural gas service, the utility may  
require the customer to pay a sum of money equal to the amount of the undisputed



portion of the bill pending settlement and thereby avoid discontinuance of service. A utility shall delay disconnection for nonpayment of the disputed bill for up to 45 days after the rendering of the bill if the customer pays the undisputed amount. The 45 days shall be extended by up to 60 days if requested of the utility by the board in the event the customer files a written complaint with the board in compliance with 199— Chapter 6.

(6) Special circumstances. Disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes payment or other arrangements during normal business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day.

(7) Severe cold weather. A disconnection may not take place where gas is used as the only source of space heating or to control or operate the only space heating equipment at the residence, ~~or~~ on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with subparagraph 19.4(15)"~~h~~ d"(4) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area

where the residence is located rises to above 20 degrees Fahrenheit and is forecasted to be above 20 degrees Fahrenheit for at least 24 hours, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of ~~this rule.~~ paragraph 19.4(15)"d."

(8) Health of a resident. Disconnection of a residential customer shall be postponed if the ~~discontinuance~~ disconnection of service would present an especial danger to the health of any permanent resident of the premises. An especial danger to health is indicated if ~~one~~ a person appears to be seriously impaired and may, because of mental or physical problems, be unable to manage ~~their~~ the person's own resources, to carry out activities of daily living or ~~protect oneself~~ to be protected from neglect or hazardous situations without assistance from others. Indicators of an especial danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation.

The utility may require written verification of the especial danger to health by a physician or public health official, including the name of the person endangered;<sub>1</sub> a statement that the person is a resident of the premises in question;<sub>1</sub> the name, business address, and telephone number of the certifying party;<sub>1</sub> the nature of the health danger;<sub>1</sub> and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.

Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated

within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. ~~The~~ If the customer must does not enter into a reasonable payment agreement for the retirement of the unpaid balance of the account within the first 30 days and does not keep the current account paid during the period that the unpaid balance is to be retired, the customer is subject to disconnection pursuant to paragraph 19.4(15)"f."

~~Reasonable payment agreement. If financial difficulty of a residential customer is confirmed, disconnection may not take place until after the utility has offered the customer an opportunity to enter into a reasonable payment agreement as required by 19.4(10). Disconnection shall be delayed 30 days for the making of a reasonable payment agreement and the 30 days shall be extended to 60 days if requested of the utility by the board upon receipt of a complaint that the utility has arbitrarily refused a payment agreement offered by the customer and upon a finding the customer has made payment as provided for in the offered agreement.~~

(9) Winter energy assistance (November 1 through April 1). If the utility is informed that the customer's household may qualify for winter energy assistance or weatherization funds, there shall be no disconnection of service for 30 days from the date of application the utility is notified to allow the customer time to obtain assistance. Disconnection shall not take place from November 1 through April 1 for a resident who is a head of household and who has been certified to the public utility by the community action agency as eligible for either the low-income home energy assistance program or weatherization assistance program. ~~In addition to the notification procedure required~~

~~herein, the utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 6,000 customers may publish notice in an advertisement in a local newspaper of general circulation or shopper's guide. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing.~~

e. Abnormal gas consumption. A customer who is subject to disconnection for nonpayment of bill, and who has gas consumption which appears to the customer to be abnormally high, may request the utility to provide assistance in identifying the factors contributing to this usage pattern and to suggest remedial measures. The utility shall provide assistance by discussing patterns of gas usage which may be readily identifiable, suggesting that an energy audit be conducted, and identifying sources of energy conservation information and financial assistance which may be available to the customer.

~~i f.~~ Without A utility may disconnect gas service without the written 12-day notice, for failure of the customer to comply with the terms of a payment agreement, provided that:

(1) In the case of a customer owning or occupying a residential unit that will be affected by disconnection, the utility has made a diligent attempt, at least one day prior to disconnection, to contact the customer by telephone or in person to inform the customer of the pending disconnection and ~~their~~ the customer's rights and remedies; ~~if.~~ If an attempt at personal or telephone contact of a customer occupying a unit which a utility knows or should know is a rental unit has been unsuccessful, the landlord of the

rental unit, if known, shall be contacted to determine if the customer is still in occupancy and, if so, their the customer's present location. The landlord shall also be informed of the date when service may be disconnected.

(2) During the period November 1 through April 1, if the attempt at customer contact fails, the premises must be posted with a notice informing the customer of the pending disconnection and rights or remedies available to avoid disconnection at least one day prior to disconnection; if, if the disconnection will affect occupants of residential units leased from the customer, the premises of any building known by the utility to contain residential units affected by disconnection must be posted, at least two days prior to disconnection, with a notice informing any occupants of the date when service will be disconnected and the reasons therefor. Disconnection is subject to the provisions of paragraph 19.4(15)"d."

~~(2) The disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes a payment or other arrangements after normal business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day. A disconnection may not take place where gas is used as the only source of space heating or to control or operate the only space heating equipment at the residence, on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the~~

~~temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with 19.4(15)h(3) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area where the residence is located rises to above 20 degrees, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of this rule.~~

~~(3) Disconnection of a residential customer shall be postponed if the disconnection of service would present an especial danger to the health of any permanent resident of the premises. An especial danger to health is indicated if one appears to be seriously impaired and may, because of mental or physical problems, be unable to manage their own resources, carry out activities of daily living or protect oneself from neglect or hazardous situations without assistance from others. Indicators of an especial danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation. The utility may require written verification of the especial danger to health by a physician or public health official, including the name of the person endangered, a statement that the person is a resident of the premises in question, the name, business address, and telephone number of the certifying party, the nature of the health danger and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.~~

~~Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. The customer must pay the unpaid balance under the payment agreement within the first 30 days and keep the current account paid during the period that disconnection is postponed.~~

~~j. For failure of the customer to furnish such service equipment, permits, certificates, or rights of way necessary to serve said customer as shall have been specified by the utility as a condition to obtaining service, or in the event such equipment or permissions are withdrawn or terminated.~~

g. The utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing. A utility serving fewer than 6,000 customers may publish the notice in an advertisement in a local newspaper of general circulation or shopper's guide.

Item 9. Amend subrule 19.4(16) as follows:

**19.4(16)** Insufficient reasons for denying service. The following shall not constitute sufficient cause for refusal of service to a ~~present or prospective~~ customer:

a. Delinquency in payment for service by a previous occupant of the premises to be served.

- b. Failure to pay for merchandise purchased from the utility.
- c. Failure to pay for a different type or class of public utility service.
- d. Failure to pay the bill of another customer as guarantor thereof.
- e. Failure to pay the back bill rendered in accordance with paragraph 19.4(13)"b"  
(~~Slow~~ slow meters).
- f. Failure to pay adjusted bills based on the undercharges set forth in paragraph 19.4(13)"e."
- g. Failure of a residential customer to pay a deposit during the period November 1 through April 1 for the location at which ~~he or she~~ the customer has been receiving service.
- h. No change.

Item 10. Amend subrule 19.4(17) as follows:

**19.4(17)** When disconnection prohibited. No disconnection may take place from November 1 through April 1 for a resident who is a head of household and who has been certified to public utility by the local community action agency as being eligible for either the low-income home energy assistance program or weatherization assistance program. ~~No disconnection shall take place from April 1, 2001, through May 1, 2001, for eligible residents.~~

Item 11. Amend paragraph **19.4(19)"a"** as follows:

- a. Each utility shall provide in its filed tariff a concise, fully informative procedure for the resolution of ~~all~~ customer complaints.

Item 12. Amend paragraph **20.4(1)"d"** as follows:



d. Post a notice in a conspicuous place in each office of the utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the utility, as filed with the board, are available for public inspection. If the utility has provided access to its rate schedules and rules for service on its Web site, the notice should include the Web site address.

Item 13. Amend subrule 20.4(11) as follows:

**20.4(11) Payment agreements.**

a. Availability ~~customer~~ of agreement.

~~(1) When a residential customer cannot pay in full a delinquent bill for utility service and will be disconnected or has an outstanding debt to the utility for residential utility service and is not in default of a payment agreement with the utility, a utility shall offer the customer an opportunity to enter into a reasonable payment agreement to pay that bill unless the customer is in default on a payment agreement.~~

~~(2) When a disconnected or potential customer for residential service has an outstanding debt to the utility for utility service, cannot pay the debt in full, and is not in default on a payment agreement, the utility must consider a request for a payment agreement.~~

b. No change.

c. Terms of payment agreements.

~~(1) The agreement may require the customer to bring the account to a current status by paying specific amounts at scheduled times. The utility shall offer customers or disconnected customers who have received a disconnection notice or have been disconnected for 120 days or less the option of spreading payments evenly over at least~~

12 months by paying specific amounts at scheduled times. The utility shall offer customers who have been disconnected for more than 120 days the option of spreading payments evenly over at least 6 months by paying specific amounts at scheduled times. ~~Payments for potential customer agreements may be spread evenly over at least 6 months.~~

(2) The agreement shall also include provision for payment of the current account. The agreement negotiations and periodic payment terms shall comply with tariff provisions that are consistent with these rules.

(3) When the customer makes the agreement in person, a signed copy of the agreement shall be provided to the customer; ~~disconnected customer or potential customer.~~

(4) The utility may offer the customer the option of making the agreement over the telephone or through electronic transmission. When the customer makes the agreement over the telephone or through electronic transmission, the utility will render to the customer a written document reflecting the terms and conditions of the agreement within three days of the date the parties entered into the oral agreement or electronic agreement. The document will be considered rendered to the customer when addressed to the customer's last known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the document shall be considered rendered to the customer when delivered to the last-known address of the person responsible for payment for the service. The document shall state that unless the customer notifies the utility within ten days from the date the document is rendered, it will be deemed that the customer accepts the terms as reflected in the written

document. The document stating the terms and agreements shall include the address and a toll-free or collect telephone number where a qualified representative can be reached. By making the first payment, the customer confirms acceptance of the terms of the oral agreement or electronic agreement.

(5) Second agreement. If a customer has retained service from November 1 through April 1 but is in default of a payment agreement, the utility may offer the customer a second payment agreement that will divide the past-due amount into equal monthly payments with the final payment due by the fifteenth day of the next October. The utility may also require the customer to enter into a level payment plan to pay the current bill.

~~The customer who has been in default of a payment agreement from November 1 to April 1 may be required to pay current bills based on a budget estimate of the customer's actual usage, weather normalized, during the prior 12-month period or based on projected usage if historical use data is not available.~~

d. Refusal by utility. ~~If the utility intends to refuse a payment agreement offered by a customer, it must provide a written refusal to the customer. That refusal, with explanation, must be made within 30 days of mailing of the initial disconnection notice. A customer may protest the utility's refusal by filing a written complaint, including a copy of the utility's refusal, with the board within 10 days after receipt of the written refusal. If the utility intends to refuse a payment agreement to a disconnected or potential customer, it must provide a written refusal within 10 days of the application for payment agreement.~~ A customer may offer the utility a proposed payment agreement. If the utility and the customer do not reach an agreement, the utility may refuse the offer

orally, but the utility must render a written refusal to the customer, stating the reason for the refusal, within three days of the oral notification. The written refusal shall be considered rendered to the customer when addressed to the customer's last-known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the written refusal shall be considered rendered to the customer when handed to the customer or when delivered to the last-known address of the person responsible for the payment for the service.

A customer may ask the board for assistance in working out a reasonable payment agreement. The request for assistance must be made to the board within ten days after the rendering of the written refusal. During the review of this request, the utility shall not disconnect the service.

Item 14. Amend subrule 20.4(12) as follows:

**20.4(12)** Bill payment terms. The bill shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the bill shall be considered rendered when delivered to the last-known address of the party responsible for payment. There shall not be less than 20 days between the rendering of a bill and the date by which the account becomes delinquent. Bills for customers on more frequent billing intervals under subrule 20.3(6) may not be considered delinquent less than 5 days from the date of rendering. However, a late payment charge may not be assessed if payment is received within 20 days of the date the bill is rendered.

a. The date of delinquency for all residential customers or other customers whose consumption is less than 3,000 kWh per month; shall be changeable for cause in

writing; such as, but not limited to, 15 days from approximate date each month upon which income is received by the person responsible for payment. In no case, however, shall the utility be required to delay the date of delinquency more than 30 days beyond the date of preparation of the previous bill.

b. In any case where net and gross amounts are billed to customers, the difference between net and gross is a late payment charge and is valid only when part of a delinquent bill payment. A utility's late payment charge shall not exceed 1.5 percent per month of the past due amount. No collection fee may be levied in addition to this late payment charge. This rule does not prohibit cost-justified charges for disconnection and reconnection of service.

c. If the customer makes partial payment in a timely manner, and does not designate the service or product for which payment is made, the payment shall be credited pro rata between the bill for utility services and related taxes.

d. Each account shall be granted not less than one complete forgiveness of a late payment charge each calendar year. The utility's rules shall be definitive that on one monthly bill in each period of eligibility, the utility will accept the net amount of such bill as full payment for such month after expiration of the net payment period. The rules shall state how the customer is notified that the eligibility has been used. Complete forgiveness prohibits any effect upon the credit rating of the customer or collection of late payment charge.

e. Level payment plan. All residential customers or other customers whose consumption is less than 3,000 kWh per month may select a plan of level payments. The rules for such plan shall include at least the following:

a. (1) Be offered when the customer initially requests service.

b. (2) Have a date of delinquency changeable for cause in writing; such as, but not limited to, 15 days from approximate date each month upon which income is received by the person responsible for payment. The utility's rules may provide that the delinquency date may not be changed to a date later than 30 days after the date of preparation of the previous bill.

c. (3) Provide for entry into the level payment plan anytime during the calendar year. The month of entry shall be that customer's anniversary month.

d. (4) The billing period level payment to be the sum of estimated charges divided by the number of standard billing intervals, all for the next 12 consecutive months.

e. (5) ~~Except for termination of service, a~~ A customer on a level payment plan may not request termination of the plan (or withdrawal from the plan) until the first anniversary date following entry at any time. If the customer's account is in arrears, the customer may be required to bring the account to a current balance before termination or withdrawal. If there is a credit balance, the customer shall be allowed the option of obtaining a refund or applying the credit to charges for subsequent months' service.

f. (6) The level payment plan account balance on the anniversary date shall be carried forward and added to the estimated charges for service during the next year; ~~and~~ this total will be the basis for computing the next year's periodic billing interval level payment amount. The customer shall be given the option of applying any credit to payments of subsequent months' level payment amounts due or obtaining a refund of any credit in excess of \$25. For purposes of this paragraph the ~~The anniversary date~~ account balance shall not carry forward on an unpaid level payment bill. For

delinquency on a level payment plan amount see ~~20.4(12)"i"~~ subparagraph 20.4(12)"e"(9).

~~g-~~ (7) The amount to be paid in each billing interval by a customer on a level payment plan shall be computed at the time of entry into the plan. It may be recomputed on each anniversary date, when requested by the customer, or whenever price, consumption, alone or in combination result in a new estimate differing by 10 percent or more from that in use.

When a customer's payment level is recomputed, the customer shall be notified of the revised payment amount and the reason for the change. The notice shall be served not less than 30 days prior to the date of delinquency for the first revised payment. The notice may accompany the bill prior to the bill that is affected by the revised payment amount.

~~h-~~ (8) The account shall be balanced upon termination of service or withdrawal in ~~accord~~ accordance with the utility's tariff.

~~i-~~ (9) Irrespective of the account balance, a delinquency in payment shall be subject to the same procedures as other accounts on late payment charge ~~on~~ for the level payment amount, ~~collection, or cutoff~~. If the account balance is a debit, a delinquency in payment shall be subject to the same procedures as other accounts for collection or disconnection. If the account balance is a credit, the level payment plan shall terminate after 30 days of delinquency.

Item 15. Adopt new paragraph 20.4(14)"g" as follows:

g. Credits and explanations. Credits due a customer because of meter inaccuracies, errors in billing, or misapplication of rates shall be separately identified.

Item 16. Amend subrule 20.4(15) as follows:

**20.4(15)** Refusal or disconnection of service. A utility shall refuse service or disconnect service to a customer, as defined in subrule 20.1(3), in accordance with tariffs that are consistent with these rules. ~~Notice of pending disconnection shall be rendered and gas service refused or disconnected as set forth in the tariff.~~

a. The utility shall give written notice of pending disconnection except as specified in paragraph 20.4(15)"b." ~~The notice of pending disconnection required by these rules shall be a written notice setting set forth the reason for the notice, and final date by which the account is to be settled or specific action taken. The notice shall be considered rendered to the customer when addressed to the customer's last known address and deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the notice shall be considered rendered when delivered to the last-known address of the person responsible for payment for the service. The date for refusal or disconnection of service shall be not less than 12 days after the notice is rendered. The date for refusal or disconnection of service for customers on shorter billing intervals under subrule 20.3(6) shall not be less than 24 hours after the notice is posted at the service premises.~~

One written notice, including all reasons for the notice, shall be given where more than one cause exists for refusal or disconnection of service. ~~The notice shall also state the final date by which the account is to be settled or other specific action taken.~~ In determining the final date by which the account is to be settled or other specific action taken, the days of notice for the causes shall be concurrent.



~~Service may be refused or disconnected for any of the reasons listed below. Unless otherwise stated, the customer shall be provided notice of the pending disconnection and the rule violation which necessitates disconnection. Furthermore, unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is disconnected. Except as provided in paragraphs 20.4(15)"a," "b," "c," and "d," no service shall be disconnected on the day preceding or day on which the utility's local business office or local authorized agent is closed.~~

~~b. Service may be refused or disconnected without notice:~~

~~a. (1) Without notice in In the event of a condition determined by the utility to be hazardous.~~

~~b. (2) Without notice in In the event of customer use of equipment in a manner which adversely affects the utility's equipment or the utility's service to others.~~

~~c. (3) Without notice in In the event of tampering with the equipment furnished and owned by the utility. For the purposes of this subrule, a broken or absent meter seal alone shall not constitute tampering.~~

~~d. (4) Without notice in In the event of unauthorized use.~~

~~c. Service may be disconnected or refused after proper notice:~~

~~e. (1) For violation of or noncompliance with the utility's rules on file with the utilities division board.~~

~~f. (2) For failure of the customer or prospective customer to furnish the service equipment, permits, certificates, or rights-of-way which are specified to be furnished, in the utility's rules filed with the utilities division board, as conditions of obtaining service, or for the withdrawal of that same equipment, or for the termination of those same~~

permissions or rights, or for the failure of the customer or ~~prospective customer~~ to fulfill the contractual obligations imposed as conditions of obtaining service by any contract filed with and subject to the regulatory authority of the ~~utilities~~ board.

~~g-~~ (3) For failure of the customer to permit the utility reasonable access to ~~its~~ the utility's equipment.

~~h- d.~~ For Service may be refused or disconnected after proper notice for nonpayment of bill or deposit, except as restricted by subrules 20.4(16) and 20.4(17), provided that the utility has complied with the following provisions when applicable:

(1) Made a reasonable attempt to effect collection;

(2) Given the customer, and any other person or agency designated by the customer, written notice that the customer has at least 12 days in which to make settlement of the account, ~~together with~~ to avoid disconnection and a written summary of the rights and remedies available ~~to avoid disconnection~~. Customers billed more frequently than monthly pursuant to subrule 20.3(6) shall be given posted written notice that they have 24 hours to make settlement of the account, ~~together with~~ to avoid disconnection and a written summary of the rights and remedies ~~available to avoid disconnection~~. All written notices shall include a toll-free or collect telephone number where a utility representative qualified to provide additional information about the disconnection can be reached. Each utility representative must provide ~~their~~ the representative's name ~~to the caller~~, and have immediate access to current, detailed information concerning the customer's account and previous contacts with the utility.

(3) No change.

(4) If the utility has adopted a service limitation policy pursuant to subrule 20.4(23), the following paragraph shall be appended to the end of the standard form for the summary of rights and remedies, as set forth in subparagraph 20.4(15)"hd"(3).

Service limitation. We have adopted a policy of service limitation before disconnection. You may be qualified for service limitation rather than disconnection. To see if you qualify, contact our business office.

(4) No change

(5) No change

(6) ~~Given the customer a reasonable opportunity to dispute the reason for the disconnection and, if to the extent applicable, complied with each of the following:~~

Disputed bill. ~~In the event there is a~~ If the customer has received notice of disconnection and has a dispute concerning a bill for electric service, the utility may require the customer to pay a sum of money equal to the amount of the undisputed portion of the bill pending settlement and thereby avoid discontinuance of service. A utility shall delay disconnection for nonpayment of the disputed bill for up to 45 days after the rendering of the bill if the customer pays the undisputed amount. The 45 days shall be extended by up to 60 days if requested of the utility by the board in the event the customer files a written complaint with the board in compliance with 199—Chapter 6.

(7) Special circumstances. Disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes payment or other arrangements during normal business hours, or by 7 p.m. for utilities permitting such payment or other

arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day.

(8) Severe cold weather. A disconnection may not take place where electricity is used as the only source of space heating or to control or operate the only space heating equipment at the residence, on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with subparagraph 20.4(15)"d"(5) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area where the residence is located rises to above 20 degrees Fahrenheit and is forecasted to be above 20 degrees Fahrenheit for at least 24 hours, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of ~~this rule.~~ paragraph 20.4(15)"d."

(9) Health of a resident. Disconnection of a residential customer shall be postponed if the ~~discontinuance~~ disconnection of service would present an especial danger to the health of any permanent resident of the premises. An especial danger to health is indicated if ~~one~~ a person appears to be seriously impaired and may, because of mental or physical problems, be unable to manage ~~their~~ the person's own resources, to carry out activities of daily living or ~~protect oneself~~ to be protected from neglect or hazardous

situations without assistance from others. Indicators of an especial danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation.

The utility may require written verification of the especial danger to health by a physician or public health official, including the name of the person endangered; a statement that the person is a resident of the premises in question; the name, business address, and telephone number of the certifying party; the nature of the health danger; and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.

Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. ~~The~~ If the customer must does not enter into a reasonable payment agreement for the retirement of the unpaid balance of the account within the first 30 days and does not keep the current account paid during the period that the unpaid balance is to be retired-, the customer is subject to disconnection pursuant to paragraph 20.4(15)"f."

~~Reasonable payment agreement. If financial difficulty of a residential customer is confirmed, disconnection may not take place until after the utility has offered the customer an opportunity to enter into a reasonable payment agreement as required by~~

~~20.4(11). Disconnection shall be delayed 30 days for the making of a reasonable payment agreement and the 30 days shall be extended to 60 days if requested of the utility by the board upon receipt of a complaint that the utility has arbitrarily refused a payment agreement offered by the customer and upon a finding the customer has made payment as provided for in the offered agreement.~~

(10) Winter energy assistance (November 1 through April 1). If the utility is informed that the customer's household may qualify for winter energy assistance or weatherization funds, there shall be no disconnection of service for 30 days from the date of application the utility is notified to allow the customer time to obtain assistance. Disconnection shall not take place from November 1 through April 1 for a resident who is a head of household and who has been certified to the public utility by the community action agency as eligible for either the low-income home energy assistance program or weatherization assistance program. ~~In addition to the notification procedure required herein, the utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 6,000 customers may publish notice in an advertisement in a local newspaper of general circulation or shopper's guide. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing.~~

e. Abnormal electric consumption. A customer who is subject to disconnection for nonpayment of bill, and who has electric consumption which appears to the customer to be abnormally high, may request the utility to provide assistance in identifying the

factors contributing to this usage pattern and to suggest remedial measures. The utility shall provide assistance by discussing patterns of gas usage which may be readily identifiable, suggesting that an energy audit be conducted, and identifying sources of energy conservation information and financial assistance which may be available to the customer.

~~if. Without~~ A utility may disconnect electric service without the written 12-day notice, for failure of the customer to comply with the terms of a payment agreement, provided that:

(1) In the case of a customer owning or occupying a residential unit that will be affected by disconnection, the utility has made a diligent attempt, at least one day prior to disconnection, to contact the customer by telephone or in person to inform the customer of the pending disconnection and ~~their~~ the customer's rights and remedies; ~~if.~~ If an attempt at personal or telephone contact of a customer occupying a unit which a utility knows or should know is a rental unit has been unsuccessful, the landlord of the rental unit, if known, shall be contacted to determine if the customer is still in occupancy and, if so, ~~their~~ the customer's present location. The landlord shall also be informed of the date when service may be disconnected.

(2) During the period November 1 through April 1, if the attempt at customer contact fails, the premises must be posted with a notice informing the customer of the pending disconnection and rights or remedies available to avoid disconnection at least one day prior to disconnection; ~~if.~~ If the disconnection will affect occupants of residential units leased from the customer, the premises of any building known by the utility to contain residential units affected by disconnection must be posted, at least two days prior to

disconnection, with a notice informing any occupants of the date when service will be disconnected and the reasons therefor. Disconnection is subject to the provisions of paragraph 20.4(15)"d."

~~(2) The disconnection of a residential customer may take place only between the hours of 6 a.m. and 2 p.m. on a weekday and not on weekends or holidays. If a disconnected customer makes a payment or other arrangements after normal business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after normal business hours, all reasonable efforts shall be made to reconnect the customer that day. If a disconnected customer makes payment or other arrangements after 7 p.m., all reasonable efforts shall be made to reconnect the customer not later than 11 a.m. the next day. A disconnection may not take place where electricity is used as the only source of space heating or to control or operate the only space heating equipment at the residence, on any day when the National Weather Service forecast for the following 24 hours covering the area in which the residence is located includes a forecast that the temperature will go below 20 degrees Fahrenheit. In any case where the utility has posted a disconnect notice in compliance with 20.4(15)"h"(5) but is precluded from disconnecting service because of a National Weather Service forecast, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the area where the residence is located rises to above 20 degrees, unless the customer has paid in full the past due amount or is entitled to postponement of disconnection under some other provisions of this rule.~~

~~(3) Disconnection of a residential customer shall be postponed if the disconnection of service would present an especial danger to the health of any permanent resident of~~



~~the premises. An especial danger to health is indicated if one appears to be seriously impaired and may, because of mental or physical problems, be unable to manage their own resources, carry out activities of daily living or protect oneself from neglect or hazardous situations without assistance from others. Indicators of an especial danger to health include but are not limited to: age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation. The utility may require written verification of the especial danger to health by a physician or public health official, including the name of the person endangered, a statement that the person is a resident of the premises in question, the name, business address, and telephone number of the certifying party, the nature of the health danger and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days.~~

~~Verification shall postpone disconnection for 30 days; however, the postponement may be extended by a renewal of the verification. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. The customer must pay the unpaid balance under the payment agreement within the first 30 days and keep the current account paid during the period that disconnection is postponed.~~

g. The utility shall, prior to November 1, mail customers a notice describing the availability of winter energy assistance funds and the application process. The notice

must be of a type size that is easily legible and conspicuous and must contain the information set out by the state agency administering the assistance program. A utility serving fewer than 25,000 customers may publish the notice in a customer newsletter in lieu of mailing. A utility serving fewer than 6,000 customers may publish the notice in an advertisement in a local newspaper of general circulation or shopper's guide.

j h. No change.

Item 17. Amend subrule 20.4(16) as follows:

**20.4(16)** Insufficient reasons for denying service. The following shall not constitute sufficient cause for refusal of service to a ~~present or prospective~~ customer:

a. Delinquency in payment for service by a previous occupant of the premises to be served.

b. Failure to pay for merchandise purchased from the utility.

c. Failure to pay for a different type or class of public utility service.

d. Failure to pay the bill of another customer as guarantor thereof.

e. Failure to pay the back bill rendered in accordance with paragraph 20.4(14)"d:" (slow meters).

f. Failure to pay a bill rendered in accordance with paragraph 20.4(14)"f."

g. Failure of a residential customer to pay a deposit during the period November 1 through April 1 for the location at which ~~he or she~~ the customer has been receiving service.

h. No change.

Item 18. Amend subrule 20.4(17) as follows:

**20.4(17)** When disconnection prohibited. No disconnection may take place from November 1 through April 1 for resident ~~who is a head of household and who~~ has been certified to the public utility by the local community action agency as being eligible for either the low-income home energy assistance program or weatherization assistance program. ~~No disconnection shall take place from April 1, 2001, through May 1, 2001, for eligible residents.~~

November 18, 2003

/s/ Diane Munns

Diane Munns  
Chairman